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FBIS-EAS-95-034 CONTENTS *21 February 1995*

NOTICE TO READERS: An * indicates material not disseminated in electronic form.

INTERNATIONAL AFFAIRS

Northeast Asia Development Forum Held in Japan 1
  PRC, ROK, Russia, U.S. Attend *[KYODO]* 1
  To Establish Coordinating Group *[KYODO]* 1
Japanese Ministry Reveals Plans for KEDO 1
  To Start Up 7 Mar *[KYODO]* 1
  Japan To 'Urge' Russia To Join *[SANKEI SHIMBUN 18 Feb]* 2

INTER-ASIAN AFFAIRS

APEC Senior Officials Meeting Viewed *[MAINICHI SHIMBUN 16 Feb]* 3
Officials Comment on Upcoming APEC Session 3
  Tokyo To Submit Draft Action Plan *[KYODO]* 3
  Thai Premier Urges Tokyo To Take Lead *[KYODO]* 4
  Thai Official Views Tasks *[ASAHI SHIMBUN 18 Feb]* 4

NORTHEAST ASIA

Japan

MITI Views U.S. 'Misperceptions' on Auto Issue *[KYODO]* 6
Officials React to Yen's Surge Against Dollar 6
  Saito Expresses 'Grave Concern' *[KYODO]* 6
  Takemura 'Carefully Watching' *[KYODO]* 6
  Hashimoto: 'Headache' for Economy *[KYODO]* 7
Tokyo, Washington To Review Security System *[MAINICHI SHIMBUN 18 Feb]* 7
DA Chief Visits Okinawa on U.S. Bases Issue *[RYUKYU SHIMPO 17 Feb]* 8
DA Chief, Governor Ota Discuss Military Issues 8
  Tamazawa's Remarks *[OKINAWA TIMES 18 Feb]* 8
  Ota's Comments *[OKINAWA TIMES 18 Feb]* 8
Naha Mayor Addresses Tamazawa Remarks *[OKINAWA TIMES 18 Feb]* 9
Okinawa Governor Ota on Naha Port Issue 9
  Urges 'Realistic Step' *[OKINAWA TIMES 18 Feb]* 9
  Favors Return of Naval Port *[KYODO]* 10
Okinawa Authorities React to Base Proposal *[OKINAWA TIMES 18 Feb]* 10
Official 'Grateful' Over Dellums' Work on Base *[RYUKYU SHIMPO 18 Feb]* 11
Article Views Issue of U.S. Bases on Okinawa *[MAINICHI SHIMBUN 19 Feb]* 11
Editorial Views U.S. Military Base Cut Plans *[RYUKYU SHIMPO 19 Feb]* 12
U.S. Reaction to 'PFP Concept' Assessed *[NIHON KEIZAI SHIMBUN 18 Feb]* 14
Toyota Weighs Venture With GM in PRC *[KYODO]* 14
Tokyo To Demand End to EU Antidumping Tax *[NIHON KEIZAI SHIMBUN 18 Feb]* 14
'Phased Lifting' of Iraq Sanctions Advocated *[NIHON KEIZAI SHIMBUN 18 Feb]* 15
Government Seeks International Aid Coordination *[Tokyo TV]* 15
MITI Outlines IPR Support Efforts *[KYODO]* 16
Tokyo To Propose NII at Information Summit *[MAINICHI SHIMBUN 18 Feb]* 16
JSC Chairman Meets PRC Counterpart Zhang *[ASAHI SHIMBUN 20 Feb]* 16
Kono: PRC Not Breaking Up After Deng's Death *[SANKEI SHIMBUN 17 Feb]* 17
Irish President Robinson Arrives for Visit *[KYODO]* 17
JETRO Plans To Help Boost Russian Exports *[KYODO]* 17
Kono To Seek Progress on Territorial Dispute *[KYODO]* 18
Signs of Change in Pyongyang Stance Seen *[TOKYO SHIMBUN 17 Feb]* 18

MOF To Permit Issues of Junk Bonds *[KYODO]* 18
ICJ Seeks Tokyo's View on Nuclear Arms *[ASAHI SHIMBUN 18 Feb]* 19
Tokyo To Allay Fears Over Radioactive Shipment *[KYODO]* 19
French To Announce Nuclear Shipment Beforehand *[KYODO]* 19
Antinuclear Group Urges Port Denial to Vessel *[KYODO]* 20
Recycling Group Exhibits Nuclear Waste Disposal *[KYODO]* 20
Offical Team To Study Work of FEMA in U.S. *[KYODO]* 20
Kaifu Discusses Government Crisis Management *[YOMIURI SHIMBUN 17 Feb]* 21
New System To Respond to Emergencies Approved *[KYODO]* 22
NGO's 'Agonizing' Over Lack of Coordination *[KYODO]* 22
Ruling Coalition Reform Team Holds First Meeting *[KYODO]* 23
Merger of Public Financial Firms Criticized *[SANKEI SHIMBUN 16 Feb]* 23
Yayama Views Special Corporation Reform *[SANKEI SHIMBUN 15 Feb]* 24
Two Bills To Rebuild Quake-Hit Areas Passed *[KYODO]* 25
Bills To Deregulate Power, Oil Industries Ready *[KYODO]* 26
Opposition To Press for Murayama's Resignation *[KYODO]* 26
Cabinet Reshuffle After Budget Passage Foreseen *[NIHON KEIZAI SHIMBUN 20 Feb]* 26
'Disarray' Within SDPJ Rebel Group Noted *[TOKYO SHIMBUN 16 Feb]* 27
LDP To Back Ishihara in Tokyo Governor Race *[KYODO]* 28
Article Views Coalition's Weakening Unity *[ASAHI SHIMBUN 15 Feb]* 28
* Outlook for New Frontier Party Uncertain *[SEIKAI SHUNJU Jan/Feb]* 30
NFP To Raise Campaign Funds Through Parties *[NIHON KEIZAI SHIMBUN 20 Feb]* 32
Ruling Party Heads To Cooperate in Elections *[NIHON KEIZAI SHIMBUN 18 Feb]* 32
April Gubernatorial Elections Previewed *[KYODO]* 33
Amount of 1995 Fixed Campaign Funds Announced *[KYODO]* 33

North Korea

Kim Yong-sam's Remarks on N-S Dialogue Viewed *[KCNA]* 34
Kim Yong-sam Blamed for North-South 'Rupture' *[KCNA]* 34
U.S, ROK 14-18 Feb Military Activity Reported *[KCNA]* 35
U.S. Remarks on Framework Agreement Decried *[KCNA]* 35
U.S. Business Delegation Arrives 19 Feb *[KCNA]* 36
PRC Magazine on DPRK's Submarine Strength *[KYODO]* 36
Former Comfort Woman on 'Atrocities' of Japanese *[KCNA]* 36
Jordanian Party Delegation Visits Mangyongdae *[Pyongyang Radio]* 37
O Chin-u Sends Greetings to Bulgarian Minister *[KCNA]* 37
Peruvian Party Head Receives DPRK Envoy *[Pyongyang Radio]* 37
Party Delegates Meet With Sri Lankan Officials *[Pyongyang Radio]* 37
Embassy in PRC Marks Kim Chong-il's Birthday *[Pyongyang Radio]* 37
Koreans in Japan Send Messages to Kim Chong-il *[KCNA]* 38
Overseas Koreans Express 'Pride' in Kim Chong-il *[KCNA]* 39
Banquet 'Arranged by' Kim for Overseas Koreans *[KCNA]* 39
'Unbounded Reverence' for Kim Chong-il 'Growing' *[KCNA]* 40
Foreign Diplomats Send Gifts to Kim Chong-il *[KCNA]* 40
Foreign Leaders Send Greetings to Kim Chong-il *[KCNA]* 40
Paper Urges 'Great Unity' Around Kim Chong-il *[KCNA]* 41
Article Marks Publication of Kim Chong-il Work *[KCNA]* 41
Kim Chong-il Sends Thanks to Railway Workers *[Pyongyang Radio]* 42
Youths Vow Loyalty to Kim Chong-il on Birthday *[KCNA]* 42
Seminar Held on Kim Chong-il's Architecture Work *[KCNA]* 42
Seminars on 'Greatness' of Kim Chong-il Held *[Pyongyang Radio]* 43
Kim Chong-il's Chuche-Based Theory Praised *[KCNA]* 44
Kim Chong-il's Chuche Program Anniversary Marked *[KCNA]* 44
Armed Forces Ministry Holds Birthday Soiree *[Pyongyang Radio]* 45
Foreign Visitors at Kim Il-song's Statue *[KCNA]* 45
Overseas Koreans Visit Kim Il-song's Statue *[KCNA]* 46
Kang Song-san, Other Leaders Watch Performance *[Pyongyang Radio]* 46
Power Plant Workers Achieve Production Results *[Pyongyang Radio]* 47
'Talk' Stresses Unity, Halt of Political Dispute *[Pyongyang Radio]* 47
Vitality of 'Socialist Independent Economy' Noted *[KCNA]* 48

South Korea

North Said Willing To Accept South Reactor Role *[YONHAP]* 48
Reactor Link With North Denunciations Studied *[SEOUL SINMUN 20 Feb]* 49
Vice Foreign Minister Repeats Reactors Stance *[YONHAP]* 49
Seoul, U.S. Discuss Ways To Refer to Reactors *[MUNHWA ILBO 20 Feb]* 50
Prospects for North-U.S. Reactor Issue Viewed *[KYONGHYANG SINMUN 20 Feb]* 50
U.S. Firm Said Promoting Reactor Deal in North *[YONHAP]* 51
Status of U.S.-North Business Relations Assessed *[YONHAP]* 52
North Delegates Reportedly Embark for U.S. Visit *[YONHAP]* 52
Japan Seeks Written Nuclear Pledge From DPRK *[YONHAP]* 53
North Notifies Council About Conference Delegates *[Seoul Radio]* 53
    Requests Memorandum on Safety *[YONHAP]* 53
Kim Chong-il's 'Elite Assistants' 'Steer' Policy *[YONHAP]* 53
Han Applies for Permit To Contact North Koreans *[YONHAP]* 54
Kim Yong-sam Urges Tighter Defense Posture *[YONHAP]* 54
Prosecution Office on U.S. Forces' Offenses *[CHUNGANG ILBO 20 Feb]* 54
Yi Holds News Conference With Japnese Reporters *[SANKEI SHIMBUN 18 Feb]* 55
Korean Companies Join Oil Exploration in Ecuador *[THE KOREA HERALD 21 Feb]* 56
Seoul Decides To Submit Subsidy Plan to WTO *[SEGYE ILBO 10 Feb]* 56
Article Analyzes Unification Minister's Dismissal *[CHUNGANG ILBO 21 Feb]* 59
Kim Yong-sam Appoints Na Ung-pae Deputy Premier *[Seoul Radio]* 60
    New Deputy Prime Minister Profiled *[CHUNGANG ILBO 21 Feb]* 60
    Na Stresses N-S Ties Improvement *[YONHAP]* 61
    Presidential Spokesman Comments *[YONHAP]* 61
    Opposition Party Reacts to Move *[YONHAP]* 62
'Concern' Over Security Planning Document Rumors *[YONHAP]* 62
Poll: Kim Administration Evaluated 'Favorably' *[YONHAP]* 62
Defense Minister Yi Yang-ho Interviewed 18 Feb *[Seoul Radio]* 63
Prime Minister Yi Speaks at National Assembly *[Seoul TV]* 65
    Discusses Elections, Reactors *[YONHAP]* 66
Plan To Restructure BOK System Announced *[YONHAP]* 67
    BOK Officials Oppose Plans *[THE KOREA HERALD 21 Feb]* 67

SOUTHEAST ASIA

Burma

Investment Pact Signed With Marubeni of Japan *[Rangoon Radio]* 69
Mon Resistance Leader To Fight Gas Pipeline *[THE NATION 18 Feb]* 69
Karen, Other Refugees Return to Manerplaw *[Rangoon Radio]* 70
Karens Withdraw From Kawmura Camp *[AFP]* 70
Refugees Return From Bangladesh 70
    Returnees for 9 Feb Reported *[THE NEW LIGHT OF MYANMAR 9 Feb]* 70
    Returnees for 8 Feb Reported *[THE NEW LIGHT OF MYANMAR 11 Feb]* 70

Brunei, Malaysia & Singapore

Malaysia

'Fast' Decision on WTO Leadership Urged *[Kuala Lumpur International]* 70
Involved States 'Seriously Watching' Spratlys *[Kuala Lumpur TV]* 71
Remarks of Australian Foreign Minister Reported 71
    Common Asia-Pacific Identity Seen *[Kuala Lumpur TV]* 71
    Regional Projects Commended *[Kuala Lumpur International]* 71
Ibrahim Praises 'Excellent' Ties With Australia *[Melbourne International]* 72

Singapore

SAF, Australian Defense Agree on Training Site *[Singapore Radio]* 72
Trade Ties Discussed With Japanese Group *[THE STRAITS TIMES 17 Feb]* 72

Prime Minister Calls for ASEAN-EU Summit *[London FINANCIAL TIMES 18 Feb]* 73
First Locally Built 'Major Warship' Launches *[Singapore Radio]* 73

Cambodia

Khmer Rouge Criticize U.S. General's Visit *[Radio PGNUNS]* 73
CPP Communique Stresses Support for Government *[Phnom Penh Radio]* 74
Radio Denounces 'Khmer Rouge'-Style Dissent *[Phnom Penh Radio]* 74
Ranariddh on Poor Results in Battambang Amnesty *[REAKSMEI KAMPUCHEA 19 Feb]* 75
Troops Advancing on KR Anlung Veng Base *[AFP]* 76
Khmer Rouge Claim Battle Victories 76
    Control Pongro Ta Pang Village *[Radio PGNUNS]* 76
Report Success in Preah Vihear *[Radio PGNUNS]* 77
KR Attack Le Duc Anh's Scheduled Visit *[Radio PGNUNS]* 77

Indonesia

Taiwanese Official Views Investment Prospects *[ANTARA]* 78
Report Views Future ASEAN-APEC Relations *[SUARA PEMBARUAN 15 Feb]* 78
Official Explains Navy Patrols Around Islands *[ANTARA]* 80
Military Chief Views Spratly Islands Dispute *[Jakarta Radio]* 81
Journalists' Group Issues 'Red Alert' *[AFP]* 81
General Briefs on East Timor Shooting Incident *[ANTARA]* 82
Human Rights Commission To Counter Criticism *[ANTARA]* 82
Official: East Timor 'Needs' Military Presence *[Jakarta Radio]* 83
Major General Views East Timorese Situation *[KOMPAS 17 Feb]* 83
Prosecutor's Office Bans Activities of IAI *[Jakarta Radio]* 83

Laos

Joint MIA Search Missions With U.S. Reported 83
    Surveys, Excavations Successful *[Vientiane Radio]* 83
    Remains of 'Pilots' Found *[KPL]* 84
U.S. Bomblets From War Still Claim Victims *[THE NATION 17 Feb]* 84
President Makes Official Visit to Thailand 85
    Visits Vocational Center *[Vientiane Radio]* 85
    Visits Chiang Rai Province *[Vientiane Radio]* 85
    Concludes Visit *[Vientiane Radio]* 86
Results of Economic Reforms Examined *[THE NATION 16 Feb]* 86

Philippines

Ramos: Prepare for 'Worst' Over Spratlys *[PHILIPPINE DAILY INQUIRER 16 Feb]* 87
PRC Move on Spratlys 'Suspiciously Timed' *[MALAYA 16 Feb]* 88
Concerns About Spratlys Dispute Outlined *[BUSINESS WORLD 17 Feb]* 89
Ramos, Romulo on PRC Presence in Spratlys *[Quezon City Radio-TV]* 90
Pakistani Prime Minister Bhutto Visits Manila 91
    Agrees With Ramos on Mutual Ties *[Islamabad Radio]* 91
    Attends Banquet Hosted by Ramos *[Islamabad Radio]* 91
    Holds News Conference *[Islamabad TV]* 92
    Concludes 2-Day Visit *[Islamabad Radio]* 92

Thailand

Laotian President Conducts Official Visit 93
    Delegation Arrives 14 Feb *[Bangkok Radio]* 93
    Lao President Views Trip *[BANGKOK POST 14 Feb]* 93
    King Hosts Banquet *[Bangkok Radio]* 94
    Phoumsavan Addresses Banquet *[Vientiane Radio]* 95
    Laotian Guests Continue Activities *[Vientiane Radio]* 95
    President Departs 19 Feb *[Bangkok Radio]* 96

Burmese Cross Border To Attack Karen Refugees *[AFP]* ... 96
Media Reportage on Burmese Attack on KNU Camp ... 96
    Burmese Said Preparing Assault *[BANGKOK POST 20 Feb]* ... 96
    Seizure of KNU Base Viewed *[THE NATION 20 Feb]* ... 97
    Army Retaliates After Shelling *[THE NATION 21 Feb]* ... 98
    Camp Overrun *[Bangkok Radio]* ... 98
    Burmese Said To Use Chemical Weapons *[Bangkok TV]* ... 99
Official Postpones Burma Trip Due to 'Tension' *[THE NATION 18 Feb]* ... 99
Reportage on Possible Extradition of Thanong ... 100
    Court Weighs U.S. Request *[SIAM POST 19 Feb]* ... 100
    Prosecutor Supports Extradition *[NAEO NA 20 Feb]* ... 100
    Official Denies Influencing Court *[THE NATION 21 Feb]* ... 101
    Thanong To Reapply for Bail *[BANGKOK POST 21 Feb]* ... 101

Vietnam

Spokesman Reaffirms Spratlys Claim, Urges Peace *[AFP]* ... 102
Libyan Foreign Minister on Official Visit ... 102
    Arrives 17 Feb *[VNA]* ... 102
    Meets With Leaders *[VNA]* ... 103
    Meets Counterpart *[VNA]* ... 103
    Received by President *[Tripoli TV]* ... 103
    Concludes Visit *[VNA]* ... 103

Northeast Asia Development Forum Held in Japan

PRC, ROK, Russia, U.S. Attend

OW1602133395 Tokyo KYODO in English 1251 GMT 16 Feb 95

[FBIS Transcribed Text] Niigata, Japan, Feb. 16 KYODO—A two-day forum on the development of northeast Asia opened Thursday [16 February] in this central Japan city, with about 100 officials from five countries and the United Nations taking part.

Officials from host Japan, South Korea, China, Russia and the United States are participating in the fifth annual forum, which focuses on projects to develop the region around the Sea of Japan and on establishment of an international financial institution.

South Korean delegate Nam Duk-u, a former prime minister, said in a keynote speech that a northeast Asian bank should be set up to finance development projects for the region through international cooperation.

Nam urged Japan to invest 7 billion dollars over five years out of the required total investment of 15 billion to 20 billion dollars.

Tetsuya Endo, the Japanese delegate to the Japan-North Korea diplomatic normalization talks, told the forum that Japan intends to work hard to help develop the northeast Asia region.

The forum held its first meeting in Changchun, China, in 1990, and has since met in North Korea, Russia and South Korea.

North Korea failed to send delegates to the session in Niigata, following the previous meeting.

To Establish Coordinating Group

OW1702134695 Tokyo KYODO in English 1254 GMT 17 Feb 95

[FBIS Transcribed Text] Niigata, Japan, Feb. 17 KYODO—A two-day northeast Asia forum closed Friday [17 February] in this central Japan city after adopting a declaration calling for the establishment of a coordinating group to consider the economic development of the region.

About 130 officials from host Japan, as well as Russia, China, South Korea, Mongolia, the United States and the United Nations took part in the fifth annual forum, which focused on projects to develop the region.

The "Niigata Declaration" said the group, to be managed by Japan, South Korea and China, may consider forum-proposed development projects for the Russia-China-North Korea border area.

It also pledged efforts toward establishing a northeast Asian development bank to secure development funds.

Forum Chairman Cho Li-chay of South Korea said the coordinating group is likely to meet in May or June in Hawaii to coordinate participating countries' research on the northeast Asian economy.

North Korea failed to send delegates to the session in Niigata, following the previous meeting, without giving reasons.

Japanese Ministry Reveals Plans for KEDO

To Start Up 7 Mar

OW2002103395 Tokyo KYODO in English 0948 GMT 20 Feb 95

[FBIS Transcribed Text] Tokyo, Feb. 20 KYODO—The proposed international consortium to build modern nuclear power reactors for North Korea is likely to be launched March 7 in New York, Foreign Ministry sources said Monday [20 February].

Japan, South Korea and the United States will hold a meeting of ambassador-level officials around March 2 to finalize a pact for establishing the Korean Energy Development Organization (KEDO), the sources said.

Foreign Minister Yohei Kono will urge Russian participation in the consortium in an upcoming meeting with Russian Foreign Minister Andryi Kozyrev when he visits Japan in early March, they said.

Russia has refused to take part in the program as a "secondary" player, demanding an equal footing.

The establishment of KEDO was agreed on between Washington and Pyongyang under a bilateral nuclear accord signed last October. It will be financed and managed mainly by South Korea, Japan and the U.S.

The three countries have sought participation of other nations to alleviate the financial burden, and over a dozen countries, including Australia, New Zealand, and some Southeast Asian and Middle East countries, have responded positively to the call, according to the sources.

The cost for the project, which will provide two light-water nuclear reactors and an alternative energy source for North Korea, is estimated to total 4.5 billion dollars.

North Korea has agreed with the U.S. to suspend its suspect nuclear program in exchange for international aid to build modern reactors.

The three leading countries plan to hold preparatory meetings in New York after the formal agreement and set the organization in operation with other possible signatories.

"We have decided a further delay in launching the scheme would not be in anyone's interest," a senior ministry official said.

The KEDO agreement only stipulates the framework of the organization and does not provide for rights or obligations of participating countries, the official said.

Japan To 'Urge' Russia To Join

OW2002123395 Tokyo SANKEI SHIMBUN in Japanese 18 Feb 95 Morning Edition p 2

[FBIS Translated Text] On 17 February, Yohei Kono, deputy prime minister and concurrently foreign minister, finalized a plan to strongly urge Russia to join the "Korea Energy Development Organization" (KEDO), an international consortium. He will do that at a meeting with Russian Foreign Minister Kozyrev, who will visit Japan early next month.

It will be the first Japan-Russia foreign ministerial meeting in the past five months, or since September last year. Japan plans to attach importance not only to bilateral issues, including the northern territorial problem, at the meeting, but also the Korean Peninsula situation.

Regarding Russia's participation in KEDO—which will be formed early next month mainly by Japan, the United States, and the ROK—Russia says, among other things: "Support for conversion of North Korean reactors to light-water reactors should be provided on an equal standing." Russia is wary concering the leadership of Japan, the United States, and the ROK. In particular, Russia reportedly opposes the decision to provide South Korean light-water reactors. U.S. Ambassador Gallucci, who is in charge of North Korean issues, visited Russia early this month and asked Russia to join KEDO. But, Russia has not taken a clear stand.

Recently, North Korea refused to accept South Korean light-water reactors and asked for an additional 500 million-1 billion dollars in aid. In this way, the circumstances surrounding the U.S.-DPRK accord are becoming severe. Because of this, Japan wants to help the U.S.-DPRK accord get on the right track by obtaining cooperation form relevant countries, including Russia.

APEC Senior Officials Meeting Viewed

OW1702041595 Tokyo MAINICHI SHIMBUN in Japanese 16 Feb 95 Morning Edition p 10

[Article by "Economic News Department" reporter Toru Yamaguchi]

[FBIS Translated Text] A meeting of senior officials from the member nations of the Asia-Pacific Economic Cooperation (APEC) forum, which closed on 15 February, reaffirmed the importance of regional cooperation which was advocated when APEC was inaugurated. The meeting of senior officials also endorsed Japan's plan to center an action program on trade and investment liberalization, its facilitation and economic cooperation. The action program will be adopted at APEC meetings to be held in Osaka in November. Nonetheless, one attendee after another raised doubts about a blueprint for "partnership for progress" (PFP). Japan had proposed this blueprint at the meeting with the aim of building a cooperative regime in the Asia-Pacific region and among APEC member nations. Their doubts about the blueprint exposed a disarray between the Foreign Ministry and the Ministry of International Trade and Industry [MITI].

A subtle change in the U.S.'s APEC strategy was behind the smooth endorsement of Japan's plan at the meeting. The United States has regarded APEC as a forum to promote the liberalization of trade and investment in the region since 1993, when the APEC summit was held in Seattle. However, at the meeting the United States fully supported Japan's plan and the "three centerpieces of trade and investment liberalization, their facilitation and economic cooperation," (according to Deputy U.S. Trade Representative Nancy Adams).

A U.S. diplomatic source said, "The United States has concluded that if it continues to take a hard-line stance on the liberalization of trade and investment in the region, it would encounter a backlash from Asian nations and would spur moves by some Asian nations and the East Asia Economic Caucus (EAEC) to exclude the United States." As a result, the United States backed down from its policy of pushing for the liberalization of trade and investment in the region. A diplomatic source from an APEC member nation made a cynical comment on the disarray between the Foreign Ministry that advocated the partnership for progress and MITI which took a negative view of it. He said, "Three Chinas (China, Hong Kong and Taiwan) and two Japans are member nations of APEC."

The blueprint for the "partnership for progress" is aimed at building a cooperative system under which not only industrialized nations, but newly industrialized economies cooperate economically with developing countries in the region. It also aims to create a body with the mandate to formulate plans for development projects and to play a mediation role among the World Bank, the Asia Development Bank, and developing countries in the region. Attendees at the meeting pointed to an unclear division of roles between the body and established organizations. Sandra Christopher, in charge of APEC in the U.S. Department of State, rejected the body. She said: "Economic aid is not the work of APEC." A top Foreign Ministry official stated: "Perhaps, the United States believed that Japan put forth the blueprint for the 'partnership for progress' in an attempt to free itself from the knotty issue of liberalizing trade and investment in the region." Japan's diplomacy may suffer a loss of confidence if it is left as it is.

A special 16 February meeting of senior officials from APEC member nations will take up the problematic issue of liberalizing trade and investment in the region. According to a MITI source, Japan, as the host nation, intends to do its best to liberalize trade and investment in the region. The MITI source said: "If we skirt the liberalization of trade and investment, not only the United States and Australia, but developing countries in the region would hold us in contempt." However, Japan intends to "ask attendees at the special meeting of senior officials to hold an open discussion and indicate what they think of liberalizing the trade and investment in the region." But the special meeting is not expected to open any prospects for liberalizing trade and investment in the Asia-Pacific region. Thus, Japan is being challenged to display strong leadership in coordinating the differing positions of APEC member nations.

Officials Comment on Upcoming APEC Session

Tokyo To Submit Draft Action Plan

OW1702141995 Tokyo KYODO in English 1411 GMT 17 Feb 95

[FBIS Transcribed Text] Tokyo, Feb. 17 KYODO—Japan plans to submit a draft of action plan guidelines to the next special high-level session of the Asia-Pacific Economic Cooperation (APEC) forum, a senior Japanese trade official said Friday [17 February].

The session is scheduled to be held in mid-April in Singapore with Japan as the chairman. Guidelines for action plans for trade and investment liberalization are due to be adopted at the APEC summit in Osaka in November.

The top official of the Ministry of International Trade and Industry said the draft will probably include the timing for starting liberalization.

In the draft, he said, Japan will offer to move up the time for carrying out the agreement under the Uruguay Round of world trade negotiations.

The draft will also propose when to begin discussions on trade and tariff liberalization after the year 2000, not covered by the Uruguay Round agreement, the official said.

Referring to the partnership-for-progress plan as agreed at the recent high-level APEC session in Fukuoka, the official said the plan should not merely call for monetary aid from advanced nations for developing nations.

Thai Premier Urges Tokyo To Take Lead

OW2102044795 Tokyo KYODO in English 0426 GMT 21 Feb 95

[FBIS Transcribed Text] Bangkok, Feb. 21 KYODO—Thai Prime Minister Chuan Likphai urged Japan on Tuesday to take the lead in mapping out an action plan for the Osaka meeting of the Asia-Pacific Economic Cooperation (APEC) forum.

Chuan made the request during a meeting with an economic delegation sent by the Federation of Economic Organizations (Keidanren), the most powerful business lobby in Japan.

Meeting Shoichiro Toyoda, the group's chairman, and other Keidanren leaders, Chuan voiced hope that Japan as the chair of this year's APEC round will take an initiative in drafting a blueprint for freer trade before the Osaka APEC summit in November.

The blueprint, called the action agenda and intended to realize goals set in the Bogor declaration in Indonesia last year, will be formally adopted in a statement to be issued by APEC leaders in Osaka.

The Bogor declaration, issued by APEC leaders in Indonesia last November, set 2020 as the target year for freeing trade and investment in all goods and services in the Pacific rim region.

The Osaka meeting will provide an important opportunity for APEC members to determine the future of global trade, Chuan said.

A failure by APEC to set out specific trade liberalization steps in Osaka would make the Bogor declaration meaningless, Chuan said.

Turning to Thailand's economic ties with Japan, Chuan called for Japanese businesses to expand imports of farm products from Thailand.

He also called for Japanese investment in regional areas of Thailand besides Bangkok.

Thai Official Views Tasks

OW1902064795 Tokyo ASAHI SHIMBUN in Japanese 18 Feb 95 Morning Edition p 11

[Interview with Thai Deputy Prime Minister Suphachai Phanitchaphak by correspondent Koji Takeuchi in Bangkok; date not given; first paragraph is ASAHI SHIMBUN introduction]

[FBIS Translated Text] The Asia-Pacific Economic Cooperation (APEC) forum has ended its high-level meeting in Fukuoka. In a recent interview, ASAHI SHIMBUN asked Thai Deputy Prime Minister Suphachai Phanitchaphak, who is the person in the Thai Government in charge of Thailand's APEC affairs, about issues to be discussed at the APEC Osaka summit scheduled for November. During the interview, he called for the dissolution of the Eminent Persons Group [EPG], an APEC advisory body. Also, he expressed the hope that the APEC forum will formulate an action program for liberalization reflecting the differing development stages among APEC countries and territories, and for initiating "APEC round" talks as a new framework for trade negotiations. In this way, he emphasized Southeast Asian countries' positions.

[Takeuchi] What are possible problems in promoting economic cooperation in the region?

[Suphachai] First, there is the definition of the EPG itself (the EPG proposed at the Jakarta summit that trade liberalization goals be set out). Although the establishment of the group was originally decided on at a ministerial-level meeting, it has become an advisory body to APEC leaders, in defiance of the decision made at that meeting. It also reviewed the liberalization plan worked out by ministers, although it is ministers who should implement liberalization measures. ASEAN has proposed that the EPG be dissolved, in claiming that the group has accomplished its mission.

Second, it is impossible for all APEC member countries to promote liberalization at the same pace. Malaysia has clarified that it will promote liberalization if the situation in the country permits this. There are more countries which plan to do what Malaysia says it will do. Like Mexico, each APEC member has difficult problems it should tackle before promoting trade liberalization.

[Takeuchi] The forum's major task for this year is to formulate an action guideline for liberalization.

[Suphachai] There are no unified views on whether or not the forum should work out an action plan by refining the GATT, on whether it should include in the plan the liberalization of trade in agricultural products and services, and on how it should treat non-APEC countries. Some say that liberalization can be expanded unconditionally, while others say that liberalization should be based on the principle of reciprocity. Japan, which is chairing this year's APEC summit, needs to coordinate the differing opinions.

[Takeuchi] Do you think that the APEC forum can carry out its objective of achieving "open regionalism?"

[Suphachai] I have proposed that after watching the developments of the Uruguay Round talks (GATT's new multilateral trade negotiations) for a couple of years, APEC members should begin new trade negotiations through the APEC forum, which I call the "APEC round" talks. If APEC members can hold talks with European and Latin American countries through the

World Trade Organization (WTO), they will be able to spread liberalization moves in the region to other countries.

[Takeuchi] ASEAN countries have strongly hoped for APEC members' assistance in regional development.

[Suphachai] They have supported Japan's aid program to nurture medium and small enterprises in developing countries and its "partnership for progress" proposal. Developing countries should give priority to cultivating their capability to endure under liberalization rather than to promoting liberalization. Unlike European countries, APEC members are at differing levels of development. Japan, which is familiar with Asian affairs, does not have to maintain close relations with the United States. I hope that Japan will act as an intermediary between developed and developing countries.

[Takeuchi] Attention is currently focused on the Chinese economy. Do APEC members aim to jointly control the Chinese market?

[Suphachai] For its own and other Asian countries' benefit, China should join the APEC forum. At last year's summit, the forum decided on the liberalization of investment. Our country has made considerable investments in China. I hope that Thailand and China will offer to each other the same investment environment. Unless China takes the same course as others, all Asian countries will be in trouble.

Japan

MITI Views U.S. 'Misperceptions' on Auto Issue

OW2002031995 Tokyo KYODO in English 0311 GMT 20 Feb 95

[FBIS Transcribed Text] Tokyo, Feb. 20 KYODO—A paper recently prepared by Japan's Ministry of International Trade and Industry (MITI) states U.S. arguments used to show Japan's auto market is closed are "misperceptions."

The paper, titled "Misperceptions and Facts on Auto Issues," was written to rectify misunderstandings by both U.S. and Japanese journalists concerning auto trade, a MITI official said Monday [20 February].

The paper targets the widely quoted U.S. claim that Japan's auto and auto parts markets are closed because the two sectors together account for 60 percent of the U.S. overall trade deficit with Japan.

"Bilateral and sectoral balances of trade reflect differences of production structure and consumption structure between countries and do not mean that one market is more open than the other." the paper said.

Assessing openness of a particular country's market by picking up a sectoral share in comparison with the overall bilateral trade deficit "does not make any economic sense," the paper said.

If a trade surplus in a certain sector indicates that its market is closed, the U.S. food market would be a closed market, the MITI official said.

During the latest Japan-U.S. auto talks in Tokyo, both parties were unable to narrow a gap on ways to improve American access to the Japanese market.

MITI also dismissed the argument that the Japanese market is less open than those of other major countries based on the fact that Japan's auto import share is only 4 percent.

The share of imported passenger vehicles in the Japanese market actually rose to about 8 percent in 1994, the paper pointed out.

Moreover, if trades among European Union (EU) countries or members of the North American Free Trade Agreement, which are almost like domestic deals, are excluded, there is little difference between the share of imported passenger vehicles in Japan and those in other major countries that range between 5.0 percent and 16.2 percent, the paper said.

The claim that the U.S. auto-related trade deficit with Japan is expanding is also "economically meaningless," said the paper.

It explained the imbalance is still on the rise on a dollar basis, affected by the so-called "J-curve" effect resulting from the yen's appreciation against the U.S. dollar. But the imbalance in volume is steadily narrowing and yen-based black ink is also shrinking, the paper said.

It said another misperception is that the U.S. has a trade deficit only with Japan in auto parts but surpluses with other countries.

"The U.S. has deficits with most countries," said the paper.

Officials React to Yen's Surge Against Dollar

Saito Expresses 'Grave Concern'

OW2002085595 Tokyo KYODO in English 0838 GMT 20 Feb 95

[FBIS Transcribed Text] Tokyo, Feb. 20 KYODO—Vice Minister Jiro Saito said Monday [20 February] the Ministry of Finance [MOF] is carefully watching the yen's advance against the dollar in foreign exchange markets with "grave concern."

Saito said at a press conference, "we want to watch the developments for a while since the situation (of a stronger yen) has not yet continued for long."

In the Tokyo currency market Monday, the dollar changed hands at 96.82 yen at 3:30 p.m. [0630 GMT], falling below the 97 yen line for the first time since Nov. 9.

Saito said the German mark has gained ground against the dollar, accompanied by the yen's advance against the U.S. currency.

As agreed by the Group of Seven (G-7) major industrial nations, foreign exchange rates should reflect each nation's economic fundamentals, Saito said.

Japan is corresponding with other G-7 monetary authorities on the issue to continue agreed cooperation, he said.

Takemura 'Carefully Watching'

OW2102022995 Tokyo KYODO in English 0211 GMT 21 Feb 95

[FBIS Transcribed Text] Tokyo, Feb. 21 KYODO—Finance Minister Masayoshi Takemura said Tuesday [21 February] he is closely watching dollar-yen exchange rate developments in the currency markets.

Takemura said at a press conference, "as usual, we will take appropriate and timely action by carefully watching developments" in foreign exchange markets.

Takemura said the yen's Monday appreciation was led by a stronger German mark, which has gained ground against the dollar.

On the Tokyo market Monday, the dollar fell below the 97 yen line for the first time since Nov. 9, but bounced back to 97.35 yen at 9:00 A.M. Tuesday.

Asked about moves in the Tokyo metropolitan assembly against planned investment of 30 billion yen in a new bank to take over two financially troubled credit unions, Takemura said he cannot imagine the Tokyo metropolitan government not putting up the money as the scheme to set up Tokyo Kyodou Bank was originated at the request of the metropolitan government.

Regarding reports that some of his ministry's mandarins had ties with Harunori Takahashi, former president of Tokyo Kyowa Credit Association, one of the sinking credit unions, during his heyday, Takemura said he wants to verify the facts.

"I cannot say for sure that no government official had personal contact with him, but I believe there was no influence on the decision about the scheme" to set up Tokyo Kyodou Bank, he said.

"Fortunately, I myself am not acquainted with him, have never been called up by him, and never exchanged business cards with him," Takemura said of Takahashi.

Hashimoto: 'Headache' for Economy

OW2102023295 Tokyo KYODO in English 0219 GMT 21 Feb 95

[FBIS Transcribed Text] Tokyo, Feb. 21 KYODO—International Trade and Industry Minister Ryutaro Hashimoto voiced strong concern Tuesday [21 February] about the yen's renewed surge against the dollar.

"The latest yen rise is a big headache for the Japanese economy, which has just begun recovering," Hashimoto told a regular press conference.

Hashimoto said the strong yen, which he terms "far from accurately reflecting Japan's fundamentals," is expected to have a very large impact on export-oriented small companies.

The dollar was quoted at 96.82 yen at 3:30 P.M. Monday in Tokyo and was trading at around the middle of 97 yen early Tuesday.

The U.S. currency hit a global postwar low of 96.11 yen in New York on Nov. 2 last year.

On the government's program to upgrade Japan's telecommunications infrastructure, Hashimoto said it is "a significant first step" in shifting the nation to becoming an information-oriented society toward the next century.

Ideas floated in the program, which was approved by the cabinet Tuesday, should be materialized by the ministries concerned within this fiscal year, he said.

Concerning a plan to help the workers of financially strapped Sorachi Coal Mining Co. in Hokkaido, northern Japan, Hashimoto expressed hope that the step will eventually benefit not only affected people but the local economy.

Hashimoto on Monday announced emergency grants totaling 4.3 billion yen, or about 7.6 million yen per person, for 563 workers of the mine who will lose their jobs when it closes in March.

"A weight that had been on my mind for several weeks has finally been removed," Hashimoto said.

Sorachi Coal Mining, based in Utashinai, the least-populated city in Japan, and its struggling Tokyo-based parent, Hokkaido Colliery and Steamship Co., filed for protection from creditors under the company rehabilitation law earlier this month.

The payouts to the miners will be financed by the government's special account under the fiscal 1994 budget, which is earmarked to streamline the declining coal industry.

Tokyo, Washington To Review Security System

OW2002110095 Tokyo MAINICHI SHIMBUN in Japanese 18 Feb 95 Evening Edition p 1

[FBIS Translated Text] The Japanese and U.S. governments have started studying a "new vision" of Japan-U.S. cooperation centered on rebuilding the Japan-U.S. security system by shifting its objective from that of ensuring Japan's independent defense to that of maintaining peace and stability in the whole Asian-Pacific region. It is expected that the final accord will be reached at the Japan-U.S. summit talks to be held between Prime Minister Tomiichi Murayama and U.S. President Bill Clinton either prior to or following the Asia-Pacific Economic Cooperation [APEC] forum scheduled for Osaka in November, and that the final accord will be included in a joint statement. Since the "new vision" will be aimed at shifting the nature of the Japan-U.S. security system from that of jointly tackling the threat from the former Soviet Union to that of coping with regional disputes, it will most likely become a controversial issue during the processes of future consultations.

As of 18 February, several Japanese and U.S. government sources have disclosed that "it is hoped that the significance of the Japan-U.S. security system will be clearly stated in a joint statement to be issued following the Japan-U.S. summit talks." According to the same sources, the United States maintains that since greater risks for regional disputes have been noted in such areas as the Korean Peninsula, the Taiwan Strait, Indochina and the South China Sea following the collapse of the Cold War structure, it has decided on its new strategy of maintaining its military presence of 100,000 troops in these areas. The core of this "new vision" lies in redefining the significance of the Japan-U.S. security system based on this new East Asia strategy.

The United States sent Assistant Secretary of Defense Joseph Nye (in charge of international security affairs) as well as Dr. Ezra Vogel of the National Intelligence Council (NIC) in charge of East Asia to Japan last November. The two officials held repeated talks with those politicians who formerly served as director general of the Defense Agency or senior executives of the ruling coalition. Dr. Vogel visited Japan again last January to hold talks with such leaders as Noboru Takeshita, former primer minister. In this way, the United States has been sounding out Japan's intention in a very cautious way. As a result, the United States has come to the conclusion that even if the Social Democratic Party of Japan [SDPJ] constitutes the core of the administration, it is possible to reach an accord on cooperation in security affairs if only it is centered on non-military sectors.

The U.S. Government source maintains that at the present stage, "no decision has been made on detailed requests to be made on Japan." However, in addition to such issues as the relocation of U.S. military bases in Japan and cooperation in the Theater Missile Defense (TMD) concept, the two governments are expected to study other concrete issues such as the promotion of exchanges of information and Japan's role in founding the Korean Energy Development Organization (KEDO).

The two governments hope that vice-ministerial consultations on the "new vision" will be held in April or May and ministerial consultations in July or August, and that the issue will eventually be taken up as the main theme at the Japan-U.S. summit talks.

In addition to stressing the military significance of achieving security in East Asia following the collapse of the Cold War structure, the "new vision" also aims at strengthening the Japan-U.S. political partnership in dealing with Asia and the Pacific region as a whole so as to eliminate the deep-rooted "argument negating the Japan-U.S. security system" noted at the U.S. Congress, and thereby rebuilding the Japan-U.S. alliance itself.

DA Chief Visits Okinawa on U.S. Bases Issue

OW1702143795 Naha RYUKYU SHIMPO in Japanese 17 Feb 95 Evening Edition p 1

[FBIS Translated Text] Tokyo—Tokuichiro Tamazawa, Defense Agency [DA] director general, will arrive on Okinawa late tonight for his first visit since his inauguration in a bid to settle U.S. military base issues. Starting tomorrow morning, Tamazawa will conduct an inspection tour of Camp Hansen, Yomitan Auxiliary Air Field, and Naha Military Port, which are connected with the so- called three major issues. Tamazawa will then meet Okinawa Governor Masahide Ota to ask for cooperation from local authorities so that the issues may be resolved quickly. He will then return to Tokyo on a morning flight, after holding a news conference.

Accompanying Tamazawa on his trip to Okinawa will be Seiji Ema, DA counsellor (in charge of defense facilities), and Noboru Hoshuyama, Defense Facilities Administration Agency director general.

DA Chief, Governor Ota Discuss Military Issues

Tamazawa's Remarks

OW2002050795 Naha OKINAWA TIMES in Japanese 18 Feb 95 Evening Edition p 1

["Gist" of remarks by Tokuichiro Tamazawa, director general of the Defense Agency (DA), made at a meeting with Governor Masayoshi Ota in Naha on 18 February]

[FBIS Translated Text] **Naha Naval Port**

Special working groups were formed on this issue in December in both Japan and the United States, following which the U.S. side submitted to us a settlement proposal. Rather than constructing the same type of facility (as Naha Naval Port) in the central region, existing facilities on a U.S. military base in the central region will be utilized and the size of the new facility will be cut to the minimum necessary. If there are regional economic buildup plans at the location of the new naval facility, the government will give the maximum consideration to reconciliation.

Yomitan Auxiliary Airfield

The working groups on this issue were formed in June last year and both sides are making some progress. Parachute training will in future be conducted at Camp Hansen. At the same time, we will clarify the prospect of returning Yomitan Auxiliary Airfield while studying the possibility of maintaining the functions of the Sobe Communications Station.

Live-Shell Firing Exercises Over Prefectural Highway 104

So far, the U.S. military has been thorough about safety management. It is difficult to immediately stop all exercises. We would like to find a solution to this issue while minimizing the effect of firing exercises on the surrounding areas in the meantime.

Construction of P3C Transmitting Station in Motobu-Cho

I am well aware of opposition from the people in Motobu-cho. The P3C's, which will be deployed to the Naha base of the Self-Defense Force, need the transmitting station, scheduled to be constructed in Motobu-cho. We will continue to exert efforts to gain understanding and cooperation from the people in Motobu-cho (for the construction of the station).

Ota's Comments

OW2002060395 Naha OKINAWA TIMES in Japanese 18 Feb 95 Evening Edition p 1

["Summary" of Okinawa Governor Masahide Ota's comments at a news conference on his meeting with Director General of the Defense Agency Tokuichiro Tamazawa in Naha on 18 February]

[FBIS Translated Text] I first thanked Director General Tamazawa for the fact that issues related to U.S. military bases on Okinawa were taken up at the last Japanese-U.S. summit meeting. I then explained that the consolidation and retrenchment of military bases are what the Okinawan people have yearned for over a number of years, and asked that the director general and other officials at relevant government ministries and agencies try to facilitate this process as we mark the 50th anniversary of the end of World War II.

Naha Military Port

This is one of the three topics discussed at the Japanese-U.S. summit, and the United States has proposed transferring the port's functions to an existing facility in central Okinawa. When a specific location has been determined, we would like to study the issue from a comprehensive viewpoint, taking into consideration the opinion of local authorities and residents, the possible impact on local development projects, and other relevant matters.

Yomitan Auxiliary Airfield

It has been suggested that paratroop exercises and associated facilities be moved to Camp Hansen, but it has not yet been determined which specific area will be used for this purpose. Since the safety of local residents must be secured above all, we ask that Japanese and U.S. authorities consider doing away with such exercises in the future, if doing so immediately would be difficult.

Live-Shell Firing Exercises Across Prefectural Highway 104

There are schools, hospitals, and other facilities near the military training area which are continually placed in danger. Since such problems as environmental destruction and bomb disposal are very serious and grave matters, I asked the director general to have live-shell firing exercises abolished at all costs.

Construction of Self Defense Forces P-3C Transmission Station

Director General Tamazawa asked for my cooperation toward the project to construct a P-3C transmission station. However, the people of Motobu Township have elected a new mayor who is opposed to the construction, and the township assembly has unanimously passed a resolution indicating opposition to the project. I have taken this seriously, and so it is my understanding that the construction project faces extreme difficulties.

Naha Mayor Addresses Tamazawa Remarks

OW1902063595 Naha OKINAWA TIMES in Japanese 18 Feb 95 Evening Edition p 5

[FBIS Translated Text] In a news conference [on 18 February], Naha Mayor Kosei Oyatomari said: "I would like to accept in a rather positive way what the minister [Defense Agency (DA) Director General Tokuichiro Tamazawa] said. My frank feeling is that we should become ready to begin projects [for the reconstruction of returned sites] whenever the sites are returned, and that we should adjust the three city-formulated plans for old base sites' utilization and the plans prepared by landowner groups."

When asked about the fact that Director General Tamazawa indicated that the government was thinking about moving the [Naha military port] facilities to Urasoe City, Oyatomari, however, was cautious with his words, saying: "The place they will be moved to has not been named specifically. While Naha's mayor is the administrator of that port, this is a delicate matter. I would rather not comment because that could have a great impact on the entire prefecture." [In his meeting with Okinawa Governor Masahide Ota earlier that day], Tamazawa had suggested the possibility of moving the facilities to Urasoe, saying, "If the area that the facilities will be moved to has its own area development plan, we will do our best to make it [the moving of the facilities] in harmony with the plan."

When further prodded about the reactions anticipated from the residents of the area that the facilities will be moved to, Oyatomari appeared reserved and rather perplexed, saying: "I am in no position to comment on that. All I can say is that all the bases should be returned as soon as possible."

Okinawa Governor Ota on Naha Port Issue

Urges 'Realistic Step'

OW1902011795 Naha OKINAWA TIMES in Japanese 18 Feb 95 Morning Edition p 1

[FBIS Translated Text] On 17 February, Okinawa Governor Masahide Ota, commenting on the popular call opposing a plan to move the Naha military port facilities to reclaimed land in Makiminato, Urasoe City, said: "As the person in charge of the administration, I have to consider taking a realistic step for the benefit of Okinawa." In this way, he indicated for the first time his intention to review Okinawa's traditional stand against the plan and to approve of moving the facilities to an alternative site in the prefecture to give priority to pursuing Okinawa's interests.

Ota made the remark in answering questions from prefectural assembly members, including Vice Chairman Osamu Ishikawa of the Okinawa Socialist Masses Party, and Urasoe City assembly members during a meeting at the prefectural office on the afternoon of 17 February.

At the meeting, Ishikawa said, "For Okinawans, moving the Naha military port facilities to Urasoe City is nothing more than just shifting the trouble from one place to another." He then asked Ota to maintain the conventional policy of seeking the return of the port without agreeing to move the port facilities to another site in the prefecture.

In response, Ota said he had not formally been informed of a plan to move the port facilities to Urasoe City.

He added: "When political issues are being dealt with, there always exists the opposite opinion, and what you assert is not always accepted by the other side. Although the return of the Naha military port was agreed on more than 20 years ago, no progress has been made on this issue. However, the Governments of Japan and the United States have finally initiated efforts to resolve it.

Things will not go smoothly if we maintain the conventional 'all-or-nothing' policy." He thus indicated that the prefectural government might take a realistic step and approve of moving the facilities to another site in the prefecture.

Favors Return of Naval Port

OW2002044495 Tokyo KYODO in English 0432 GMT 20 Feb 95

[FBIS Transcribed Text] Naha, Japan, Feb. 20 KYODO—Okinawa Gov. Masahide Ota voiced support Monday [20 February] to a proposal that the U.S. Naval Port in Naha, the capital of Okinawa Prefecture, be returned to Japan in exchange for an alternative port to be built on Okinawa's main island.

"I want to pay due consideration to opinions in local municipalties (where the alternative port may be built) while taking it (the proposal) into account for the sake of Okinawa Prefecture as a whole," Ota told reporters at a briefing.

He said the central government should persuade residents around the possible relocation site to accept it because the U.S. military uses its bases in Japan under an agreement with the Japanese Government.

The return of the U.S. naval port is the centerpiece of the proposal, put forward Saturday by Defense Agency Director General Tokuichiro Tamazawa and designed to scale back U.S. bases in Okinawa in southwestern Japan.

Ota said he wants to see the naval port return to Japan to make it possible to invite businesses to secure jobs in the prefecture because the location of the port is of economic importance.

He went on to say that the existence of the naval port next to Naha airport undermines the image of Okinawa as a sightseeing spot because travelers see military equipment such as tanks when they arrive at the airport.

Under the bilateral security pact, some 40,000 U.S. troops are stationed in Japan. About 75 percent of U.S. military facilities in Japan are located in Okinawa, the site of ferocious battles between the advancing U.S. forces and the Japanese Imperial Army during World War II.

Okinawa Authorities React to Base Proposal

OW1902143295 Naha OKINAWA TIMES in Japanese 18 Feb 95 Evening Edition p 5

[FBIS Translated Text] **Hope It Will Not Be Off Reclaimed Land in Urasoe City**

Seiko Gibo, mayor of Urasoe City Central Okinawa is an ambiguous expression, but I earnestly hope that it does not refer to the reclaimed land off Urasoe. Relocating military facilities within the prefecture merely leads to strengthening the military bases. This has nothing to do with the city's ego, but this area is important in that it can contribute potentially to the prefectural economy. I am absolutely opposed to relocating the military port facilities to the reclaimed land off Urasoe, regardless of how much consideration is given to the matter.

The Return of the Airfield Is a Historical Start

Shintoku Yamauchi, mayor of Yomitan Village For over 20 years since Okinawa's reversion to Japan, local residents have steadfastly rallied to demand and end to the paratrooper exercises in the village over the middle of residential areas and return of the land occupied by the auxiliary airfield. We would like to reckon that the return of the airfield, among other military facilities, is a historical start of a process that will eventually lead to the complete removal of military bases from Okinawa. In all honesty, however, we would be more than pleased if the airfield were to be turned over to us without having to provide an alternate site. When I think about the municipal governments that have jurisdiction over relocation sites under consideration, I have mixed feelings since we all have shared the same pains.

We Are Not Ready To Make Any Sacrifices, Nor Have We Been Convinced

Katsuhiro Yoshida, mayor of Kin Township I do not understand why paratrooper exercises must be moved to Camp Hansen where military operations are already very intense. There have been many cases of accidents related to paratrooper exercises in the past, and we do not want to be further saddled with military base-related problems. It would be a serious matter to any one concerned regardless of whatever location such exercises should be moved to. We would like to see the U.S. military remove the condition that alternate sites be provided. As for live fire exercises across prefectural highway 104, the frequency of such exercises has diminished, and I would like to thank both the Japanese and U.S. Governments for their efforts to that end. However, this does not mean that the problem has been thoroughly resolved since military drills are still conducted constantly inside the military bases. I would like to take every opportunity to make our voices heard so that live fire exercises can be terminated.

Listen To the Village Authorities' Opinion and Respond Accordingly

Seiko Miyazato, head of Shirohara-ku, Ginoza Village Yesterday (17 February), we held a ward heads' meeting and confirmed that moving military exercises to our village is undesirable since that would lead to strengthening the military bases. At a session held last June, the village assembly, too, adopted a resolution opposing such moves. Therefore, it is a serious matter for military exercises to be moved to Ginoza in this manner. I would like to act accordingly upon ascertaining the village authorities' intentions as early as next week.

Official 'Grateful' Over Dellums' Work on Base

OW1802095895 Naha RYUKYU SHIMPO in Japanese 18 Feb 95 Morning Edition p 2

[FBIS Translated Text] It seems that measures for settling the three pending issues, including the return of Naha Naval Port, will be spelled out in a nine-item report on Japan-U.S. security ties, which Defense Secretary William Perry will submit to Congress by 1 March. On 14 February, Perry, who met with Ronald Dellums (Democrat), former House of Representatives Arms Committee chairman, referred to a settlement of the three pending issues. On 17 February, this information was relayed to the prefectural government by Masao Nakachi, a part-time prefectural government employee who lives in New York, which he obtained from Mr. Dellums' office.

Defense Secretary Perry and Dellums exchanged opinions on defense and other issues for one hour at the latter's office in Washington. According to a policy staff [from Dellums' office] member, who attended the meeting, Perry and Dellums had thorough discussions regarding the base issues on Okinawa. Dellums asked Perry to incorporate the three pending Okinawan base issues into a report on overhauling Japan-U.S. security relations. The overhaul will be implemented on the basis of a law for reviewing defense expenses. In response, Defense Secretary Perry reportedly showed his understanding, saying: "I know that Okinawan base issues, including the three pending issues, are major tasks."

When Prefectural Government Coordinator Choko Takayama visited the United States, Dorney Getz, Planning Department chief of the U.S. Marine Corps' General Headquarters, said: "The three pending issues were included in a draft of the report (which will be prepared on the basis of the law for reviewing defense expenses)." It seems certain that the three pending issues will be spelled out in the defense secretary's report to Congress.

On the other hand, the 17 February NIHON KEIZAI SHIMBUN evening edition also cited a high Pentagon official as saying that the United States had already submitted to the Japanese Government "its own settlement measures, including a plan for Japan to provide alternative harbor facilities in Okinawa Prefecture." The paper reported that the defense secretary, in a new comprehensive report he will submit to Congress on the Japan-U.S. security system, "plans to inform Congress about the proposal."

Policy coordinator Takayama said: "I am grateful for the fact that Mr. Dellums, as he promised me when I visited the United States, advised Defense Secretary Perry [on the issues]. It is of great significance that the Okinawan issues were directly conveyed to the defense secretary through Mr. Dellums."

Article Views Issue of U.S. Bases on Okinawa

OW2102122295 Tokyo MAINICHI SHIMBUN in Japanese 19 Feb 95 Morning Edition p 2

[Article by Takayuki Kasuga and Masaya Oikawa: "Still Hard To Gain Understanding From Okinawa on Issue of U.S. Bases"]

[FBIS Translated Text] **Leaders of Japan and the United States Working Toward Formulating an "Agreement"**

The reorganization and consolidation of the U.S. military bases on Okinawa has made large strides recently. At the Japan-U.S. summit talks held last month, leaders of both nations expressed their intention to actively work toward a solution of three base- related issues, including the return of Naha Military Port to Okinawa. Tokuichiro Tamazawa, the director general of the Defense Agency [DA], for the first time officially announced a proposal to remove Naha Port in exchange for building an alternative military port during his meeting with Okinawa Governor Masahide Ota on 18 February. Since the Ministry of Foreign Affairs [MOFA], the DA, and U.S. Forces in Japan have already agreed on the proposal at their working-level negotiations, "we are now in the final phase and the question is how to obtain the understanding of the Okinawan people," (according to a MOFA official). However, this will be a difficult task because Okinawans are demanding the total removal of U.S. bases from their prefecture.

The reorganization and consolidation of the U.S. forces on Okinawa was for the first time brought up at Japan-U.S. summit talks on 11 January. When President Bill Clinton said he would "instruct U.S. Ambassador to Japan Walter Mondale" to take care of the issue, Prime Minister Tomiichi Murayama called on the United States to make "more efforts than ever." The summit meeting held after working-level negotiations was a "political show" to provide impetus for a solution of the Okinawa base issue.

After the talks, the prime minister ordered Deputy Prime Minister Yohei Kono who is also the foreign minister and DA Director General Tamazawa to "make efforts to settle the issue." He also asked for cooperation from Okinawa Governor Ota.

At the Tamazawa-Ota talks held on 18 February, another plan to remove the parachute training ground in Yomitan Auxiliary Airfield to Camp Hansen was offered as a solution to the three pending issues. Expressing a desire to "pave the way for the return of the airfield as soon as possible," the DA chief indicated his hope that some progress may be achieved during his planned U.S. visit in May. Taking local reaction into consideration, however, Tamazawa did not mention prospective relocation sites for Naha Port and other military facilities at issue.

Actually, it is an "open secret" on Okinawa where those facilities will be moved. While Naha City and Yomitan

Village have been promoting a plan to develop military lands after their return, Urasoe City has reacted strongly to speculation that Naha Military Port will be relocated to the city's Makiminato area. The Urasoe City Planning Division claims, "Relocation will cause trouble for the security and lives of Urasoe citizens. Since Makiminato is an important harbor, moving the military port there would hamper the economic development of the prefecture." Meanwhile, the city assembly adopted with unanimity a resolution opposing the relocation twice.

Regarding the live-fire exercises over Prefectural Highway 104, the government intends to move the drill site to the Higashi Fuji range in Shizuoka Prefecture. A MOFA source said, "The success of our negotiation depends on how we present the alternative plan and persuade the local people to accept it."

Base Issues Interrelated With Security Treaty

"Nobody wants to have U.S. bases in their community." "Mainland- style politics, in which politicians spread money to get what they want, does not work on Okinawa, where one out of four people died in the Battle for Okinawa and 75 percent of the U.S. military bases in Japan are located." These are comments made by MOFA officials to point out how difficult it is to deal with base-related issues on Okinawa.

The Defense Facilities Administration Agency set up "the special headquarters to promote the reorganization and consolidation of U.S. bases" last month to persuade municipal governments. But the truth is, "there is no way for the government to achieve this without the leadership of Okinawa Prefecture," (according to a DA source).

In June 1990, the Japan-U.S. Joint Committee formulated a report recommending the return of 23 U.S. military facilities (approximately 1,000 hectors) in addition to the resolution of the three pending issues. By the end of 1994, eight of them (about 500 hectors) were returned to Okinawa. Meanwhile, the United States is conducting a restructuring of its military along with its defense spending cuts.

Encouraged by this, the MOFA's Japan-U.S. Security Affairs Division enthusiastically said, "Some of the Okinawan issues may be difficult to solve, but some are not that hard. We want to settle the three pending issues within this year." A senior DA official also says that now is the time to solve the long-standing problems because "only the Murayama administration can provide such a great opportunity."

The reorganization and consolidation of the U.S. bases is deeply interrelated with the issue of reconstructing the Japan-U.S. security framework. Japan and the United States have been reviewing the significance of the bilateral security treaty in the post-Cold War era at working-level meetings since last fall. One of their tasks is obtain the Japanese people's understanding to strengthen and maintain the security system. Therefore, it is a shared opinion in the MOFA and the DA that the reorganization and consolidation of the U.S. bases on Okinawa is a must because "the bases on Okinawa are a symbol of the Japan-U.S. security," (according to a senior DA official).

"All of our efforts would be to no avail if we make mistakes and prompt a sit-in or other anti-government demonstrations by the local people. We will be unable to realize any progress for the next ten years. We thus have no choice but to remain cautious about the Okinawa base issue." Such a view within the MOFA is why the government has so far conducted negotiations with Okinawa unofficially. However, the base issue certainly broke new ground when DA chief Tamazawa visited Okinawa to convey the government's first serious reaction to long-standing calls by Okinawans for the removal of U.S. bases.

Editorial Views U.S. Military Base Cut Plans

OW2102051195 Naha RYUKYU SHIMPO in Japanese 19 Feb 95 Morning Edition p 5

[Editorial: "50 Years After the End of World War II—The Consolidation and Retrenchment of Military Bases; Resolution of the Three Pending Issues Is a First Step in the Attempt"]

[FBIS Translated Text] **Toss Away Obsessions and Review Proposals**

It seems there are differences between the two sides over the basic understanding of, and their fundamental stances regarding military base-related issues. The two sides here refer to the United States and Japan, represented by their respective national governments; and the Okinawan people, represented by the prefectural and municipal governments, and other local organizations.

The national governments' understanding is that the Cold War structure is still predominant in the world; and in order to fulfill the obligations under the Japanese-U.S. Security Treaty, it is necessary to maintain the same level of troops and facilities here as during the period immediately after the reversion of Okinawa to Japan, when fighting still continued in Vietnam.

On the other hand, the Okinawan people's basic stance is that they absolutely disapprove of relocation of military facilities. It is only natural for the Okinawans—on whom the existence of military bases has brought much suffering for half a century—to raise objections should military facilities be removed from certain locations only to be relocated to sites near where they live, even if such sites are within existing military installations.

The fact that 74 percent of all U.S. military bases (facilities for the exclusive use of U.S. Forces) in Japan are concentrated on a small, narrow island is, in itself, unnatural. Undoubtedly, there will be limited options when it comes to relocating facilities exclusively within the prefecture, while keeping the scale and functions of such facilities intact. In the past, Japan and the United States compiled a list of facilities they agreed to turn over to Okinawa, in nearly all cases "on the condition of relocation to alternate sites."

Behind such a backdrop, there emerged within the prefecture an "argument that military bases on Okinawa be spread out over the entire nation," with the idea that all Japanese people equally share the obligations of the security arrangement, instead of forcing Okinawans to saddle the whole burden. However, it is not the true intention of the Okinawan people to force others to feel the suffering they have gone through. This is simply another way in which the Okinawan people are expressing their dissatisfaction with the national government that forces "military base-related hardships" upon them.

Expectations of the Governor's Coordinating Abilities

We, as Okinawans, have many things to say to the government. However, we also feel that it is necessary to try to move a step forward instead of clinging to past obsessions.

Tokuichiro Tamazawa, director general of the Defense Agency, who recently visited Okinawa, met Governor Masahide Ota and presented the following proposal: 1) Complete return of Naha Naval Port in exchange for building an alternative military port of minimal size in central Okinawa with maximum consideration given to harmonization with local development projects in the planned relocation sites; 2) return of Yomitan Auxiliary Airfield and relocation of paratroop exercises to a training ground in Camp Hansen; and 3) drastic reduction in the frequency of live-fire exercises across prefectural highway 104 by shifting exercises to other drill sites in Japan.

In response, Ota praised Tamazawa's proposal to a certain degree, saying: "I would like to take appropriate steps from an overall viewpoint, while considering the opinions of local residents and development projects in the area. Our ultimate goal is the complete removal of U.S. military bases, but from a realistic viewpoint, we need to take back the facilities one by one. So, it is a step forward in a sense."

It is natural for municipal authorities to complain if military facilities are to be moved to areas under their jurisdiction. However, instead of looking only at the "wording" of the government's proposal, we feel it is worth a try for the government, prefectural, and municipal authorities and landlords involved to review the details of the proposal to determine whether they really are unacceptable. Relevant organizations and groups should first try to gather round the table for discussions.

It is hoped the efforts aimed at resolving the three pending issues will lead to a breakthrough in the settlement of military base-related issues in general. Of course, this is only a first step, not the goal, when thinking in terms of military base-related issues on Okinawa in their entirety. In particular, municipal authorities having jurisdiction over relocation sites will likely be forced to make difficult decisions. Governor Ota's coordinating abilities will be tested.

This year marks the 50th anniversary of the end of World War II. Now the Cold War structure has collapsed, it is hoped the Japanese and U.S. Governments will try to eradicate their Cold War-era obsessions. It is questionable whether it really is necessary to keep American troops, military bases, and training grounds on Okinawa on the same scale as during the Cold War era.

Correct the Cold War-Oriented Way of Thinking

In the 1970's, U.S. defense-related think tanks came up with a proposal, among other recommendations, to pull back the advance positioning of U.S. troops in Northeast Asia to Micronesia and its vicinity, and cut back on military forces on Okinawa and in other areas, leaving behind only a small portion there. This may have been influenced by the fact that at the time, the United States was losing the war in Vietnam, and the nation became inward-looking.

Even since then, there emerged an emergency troop deployment concept in which weapons, ammunition, fuel, water, and other supplies would be stored beforehand at military bases and aboard ships in the vicinity of areas prone to conflicts, such as Northeast Asia and the Middle East, and lightly-armed troops would be deployed to the area from the continental United States to respond to possible emergencies. The idea is to cut back as much as possible on troops stationed at advance bases, particularly ground forces, such as the Marines. Although this concept was implemented, it did not necessarily lead to a drastic reduction of U.S. Forces on Okinawa.

However, the situation then and now has changed drastically with the collapse of the former Soviet Union, a military superpower that used to rival the United States. If U.S. military strength is to be adjusted in accordance with that of a country with which it may possibly go to war, it is clearly unnecessary to maintain military forces on Okinawa on the same scale as during the Cold War era.

If the United States intends to maintain its military presence in Northeast Asia, all it has to do is station two U.S. Marine Corps battalions, which symbolize "America's Determination," together with a few air squadrons.

The U.S. 7th Fleet's aircraft carrier task forces and nuclear submarines continually patrol the surrounding waters, and should the need arise, the United States is capable of transporting ground, naval, and air forces in massive numbers to scenes of conflict from within its continental boundaries.

We feel it is quite possible for the United States to drastically reduce its military strength in Northeast Asia, including Okinawa, and return the military bases there, while continuing to fulfill its obligations under the Japanese-U.S. Security Treaty, protecting Japanese and U.S. interests in the Pacific region. We urge the Japanese and U.S. Governments to shed their obsessions carried over from the Cold War era and embark on disarmament that befits the new era.

U.S. Reaction to 'PFP Concept' Assessed

OW1802133095 Tokyo NIHON KEIZAI SHIMBUN in Japanese 18 Feb 95 Morning Edition p 2

[FBIS Translated Text] At the Asia-Pacific Economic Cooperation (APEC) forum, Japan proposed a concept called "Partners for Progress" (PFP) as a framework for new economic cooperation. In this regard, the Ministry of Foreign Affairs [MOFA] decided to start coordinating with each [APEC member] nation to avoid forming a new independent organization for implementation of the concept. Although the concept, designed for APEC member nations to cooperate with each other in supporting under-developed countries in the Asia- Pacific region, was widely supported at a senior officials' meeting (SOM) held recently in Fukuoka, the United States strongly opposes it, saying: "Japan is probably aiming at taking the leadership [in the APEC region] by forming the new support organization." As host nation for this year's APEC summit, Japan, which called for the establishment of the new organization, has already been forced to change its plan so that the Osaka APEC summit in November will run smoothly.

The PFP is a concrete plan of a concept Yohei Kono, deputy prime minister and foreign minister, himself proposed at an APEC ministerial meeting held last year in Indonesia. This is a plan designed to quickly implement economic cooperation known as "south-south cooperation" among developing countries; cooperation between developing counties and several industrialized countries; and other cases of cooperation, which are combinations of the two. At the SOM in Fukuoka, a Japanese representative declared a plan to "establish a PFP center" for coordination between supporter nations and support recipient nations, and a concept of forming the new organization. But a U.S. representative who strongly opposed the proposal said: "APEC is already at grips with economic cooperation. I do not see the significance of a plan to form a new organization."

Since its budget for official development assistance (ODA) is tight, the United States feels a sense of crisis toward Japan taking the leadership [in the APEC region]. Moreover, the United States also suspects that "Japan is trying to divert the focal point from liberalization of trade and investment, which is the most important task." MOFA is perplexed, saying: "The concept was widely supported. We have no other intentions." The Japanese Government plans to get U.S. approval before the next SOM meeting by preparing a "compromise plan"—designed to revise the concept, not to set up a special organization for realization of the concept, and to allow APEC's secretariat to play a role in dealing with information, including each country's wishes regarding the PFP.

Toyota Weighs Venture With GM in PRC

OW1902133095 Tokyo KYODO in English 1250 GMT 19 Feb 95

[FBIS Transcribed Text] Nagoya, Feb. 17 KYODO—Toyota Motor Corp. has proposed to China measures to strengthen sales and after-sales operations and improve the competitiveness of Charade-model autos, President Tatsuro Toyoda said Sunday [19 February].

Toyoda said at a news conference after arriving in Nagoya from China that he advanced the proposal in a meeting with Chinese Vice Premier Li Lanqing in Beijing.

Charade is manufactured by Daihatsu Motor Co., an automaker affiliated with Toyota Motor.

He said he told Li, the vice premier in charge of the auto industry, that Toyota Motor's cooperative ties with Chinese parts makers in Tianjin are progressing smoothly.

Toyoda said he talked with top Shanghai Automotive Industry Corp. officials about joint production of engines and other parts with a Chinese partner.

But he said Toyota had expected its Chinese partner to be determined before the New Year holidays.

Asked about Toyota's potential tie-up with General Motors Corp. of the United States in Shanghai, Toyoda said, "we will study it" if General Motors makes such a proposal.

During his stay in China, Toyoda also visited the Machine-Building Industry Ministry and a technical support center in Tianjin established by Toyota in January.

Tokyo To Demand End to EU Antidumping Tax

OW1902140195 Tokyo NIHON KEIZAI SHIMBUN in Japanese 18 Feb 95 Morning Edition p 5

[FBIS Translated Text] Starting 1 March at the World Trade Organization (WTO) in Geneva, Japan and the European Union (EU) will hold three days of talks to discuss Austria, Sweden, and Finland's participation in the EU. This will be the first meeting to be conducted based on the WTO agreement. When joining the EU last January, these three nations not only raised tariffs on certain products, but also automatically introduced an antidumping tax that the EU imposes on Japanese products. Japan has already requested compensation for losses caused by the higher tariffs. It also intends to demand the abolishment of the antidumping tax because "it is a violation of the WTO agreement," (according to the Ministry of International Trade and Industry [MITI]).

Upon becoming EU members, these three newcomers did the same thing what the EU is doing—applied the antidumping tax on 14 Japanese products. The WTO stipulates the procedures to go through when a nation decides to impose antidumping duties on a certain nation. However, they skipped these necessary steps and simply applied the measure on Japan. Thus, MITI judged it was a violation of the WTO accord.

The three nations also introduced the EU's common tariff, which caused an increase in their tariffs on various products, mostly manufactured goods. Feeling that tariff rate changes accompanied by the EU's expansion will bring disadvantages to Japan's export industry, the government will renew its call for a reduction in the common tariff during its negotiations with the EU. During the negotiations, it will discuss with the EU which, and to what degree, the tariffs should be cut. However, rough sailing is already expected because the EU claims: "Japan gained profits from the tariff rate change when we obtained new members."

'Phased Lifting' of Iraq Sanctions Advocated

OW1902052795 Tokyo NIHON KEIZAI SHIMBUN in Japanese 18 Feb 95 Morning Edition p 2

[FBIS Translated Text] Japanese Ambassador to Egypt Kunio Katakura, who is now in Japan to attend a meeting of Japanese ambassadors accredited to Middle Eastern nations, gave an interview to a NIHON KEIZAI SHIMBUN reporter on 17 February. Pointing out that China and Russia have been softening their stands on economic sanctions against Iraq, the ambassador said, "Japan should consider a phased lifting of economic sanctions against Iraq." In discussing the criteria for deciding to lift these, the ambassador said, "Iraq's acceptance of a mechanism, under which part of the proceeds from Iraq's oil exports will be used under UN supervision to pay reparations for the Gulf War, would pave the way for lifting the economic sanctions." The Japanese Government has so far maintained the position that Iraq's recognition of Kuwait's sovereignty, Baghdad's acceptance of a border demarcated by the United Nations, and Iraq's complete fulfillment of UN resolutions are the conditions for lifting the economic sanctions. The Japanese Government expressed deep concern when Iraq massed its troops along its border with Kuwait last October. Recently, however, permanent members of the UN Security Council have been divided over how to deal with the issue of lifting the economic sanctions imposed on Iraq. The ambassador's statement is interpreted as emphasizing the need to deal flexibly with the issue in light of the differing opinions among permanent members of the UN Security Council over the issue.

In discussing the Saddam Husayn government, the ambassador said, "For now, there is no one in Iraq to replace Husayn as president." The ambassador also stated explicitly, "In the current situation, it would be good if Iraq is held together rather than be allowed to fall into disarray." In the interview, he said that as Japan's ambassador to Egypt, which is a neighbor of Iraq, he will continue to urge the Husayn government to shift from its long-standing strong-arm policy to a peace-oriented policy.

The ambassador also discussed the incident of a [Japanese] monthly magazine having gone out of business after having come under heavy criticism from the international community for carrying an article that called the Holocaust (the massacre of Jews by German people) a fabrication. He then said, "It is now necessary for Japanese to make efforts to gain [as well] a correct understanding of Islamic society." He also proposed that the Japanese Government and private sector promote an exchange of researchers and undertake joint research projects on Islamic culture and society together with Middle Eastern nations.

Government Seeks International Aid Coordination

OW2102055095 Tokyo NHK General Television Network in Japanese 0300 GMT 18 Feb 95

[Announcer-read report; from "NHK News" program]

[FBIS Translated Text] To effectively promote economic support to Vietnam, Laos, and Cambodia, the Japanese Government has decided to effect coordination among aid-providing nations and international organizations by exchanging information.

The amount of economic aid given to Vietnam, Laos, and Cambodia, which are buckling down to the task of promoting economic reconstruction, is decreasing due to the so-called compassion fatigue of aid-givers; also, the United States and European countries are busy providing aid to East European and Middle Eastern nations. Therefore, it is necessary to give aid to this region more effectively.

Accordingly, the government has decided to ask aid-providing countries and international organizations to introduce, in addition to the current practice of individually providing aid to each developing country, a method of sharing funds and tasks in dispatching personnel to this region after discussing details of aid measures.

The government also plans to make a proposal at an international conference scheduled to be held in Tokyo starting 26 February in which it will say that it would be a good idea to treat the development of the entire region around the Mekong River as one project rather than dividing this aid up among each aid-receiving nation.

Moreover, the government wants to exchange information with other developed countries and international organizations on the details of their aid measures—including planned and ongoing projects for the improvement of such social infrastructure as roads and electricity.

MITI Outlines IPR Support Efforts

OW2002075495 Tokyo KYODO in English 0733 GMT 20 Feb 95

[FBIS Transcribed Text] Tokyo, Feb. 20 KYODO—Both the Japanese Government and the private sector have been giving assistance to other Asian nations to aid in protection of intellectual property rights [IPR], officials at the Ministry of International Trade and Industry (MITI) said Monday [20 February].

MITI, the Patent Office and the Japan Institute of Invention and Innovation believe that the protection of patents and other intellectual property rights is increasingly important for Japanese firms which are continuing to increase direct investment in the area, they said.

Despite recent sharp economic growth among members of the Association of Southeast Asian Nations (ASEAN) and other Asian countries, the practice of protection of intellectual property rights in Asia has remained lax due to a shortage of professional examiners and other experts, they said.

During the 1993 ASEAN trade and industry ministers' meeting, Japan presented its cooperation program for protection of intellectual property rights among member countries of the association.

Since then, intellectual property rights protection has been increasing in Asian nations, which have begun accepting support from the Japan International Cooperation Agency (JICA) and others to develop relevant human resources.

Most countries have also used their information security systems to disclose necessary details to Japan, they said.

the Japanese private sector has also given aid to Asia. In December, a training center affiliated with the Japan Institute of Invention and Innovation accepted 22 patent-related officials in ASEAN for two weeks of training. The center, which was established last April, will continue accepting some 20 officials from Asia each year.

However, Masashi Kurose, a patent lawyer, said the center should also provide long-term training.

From an international perspective, guarding intellectual property rights means the establishment of a human network between Japan and Asia in addition to building up systems and manpower, Kurose said.

According to Kurose, Europe and North America have already started establishing such a network and their own intellectual property protection measures in Asia.

"The Japanese Government, patent lawyers and private companies should jointly try to promote their own stance for guarding intellectual property rights in Asia," said Kurose.

Tokyo To Propose NII at Information Summit

OW2002151095 Tokyo MAINICHI SHIMBUN in Japanese 18 Feb 95 Morning Edition p 10

[FBIS Translated Text] The government's Headquarters for Promotion of Sophisticated Telecommunication Society [HPSTS] (chaired by Prime Minister Tomiichi Murayama) disclosed Japanese version of the "National Information Infrastructure (NII)" proposal on 17 February. The proposal will be incorporated in the "Basic Policies for Promotion of a Sophisticated Telecommunications Society" report, which will be officially approved at the 21 February meeting of the HPSTS, and the report will be announced at the Group of Seven (G-7) information summit in Brussels beginning on 25 February.

The report on basic policies stresses the need for a well-balanced development of both hardware and software. The government will promote the construction of an optical fiber network and technology application for public organizations. The report clearly notes that "the six-year period until 2000 is a preparatory period" for developing basic technology. Taking into account market demands and other circumstances, Japan will construct a nationwide optical fiber network "as soon as possible aiming at a completion by 2010."

To realize a highly telecommunications-oriented society, the proposal advocates a seven-point group of "action principles," which include: 1) the society where everyone can receive the advantages of sophisticated telecommunications technology without anxiety; and 2) consideration for the weak in society. On these grounds, the proposal says the telecommunications-oriented society "should be constructed at the initiative of the private sector under fair competition." It says the primary role of the government is public support for the promotion of research and development and for the construction of infrastructure.

On the other hand, the proposal calls for the "public sector's computerization" of administrative procedures to "trigger computerization of the entire society." As tangible measures, the proposal demands computerization in six fields—administration, academic studies, cultural activities, sports, medical services, and earthquake monitoring.

In response to the proposal, ministries and agencies are supposed to prepare detailed action plans within this year. The HPSTS will conduct annual surveys to evaluate progress.

JSC Chairman Meets PRC Counterpart Zhang

OW2102053695 Tokyo ASAHI SHIMBUN in Japanese 20 Feb 95 Morning Edition p 3

[Report by Michiyoshi Isokawa]

[FBIS Translated Text] Beijing, 19 Feb—General Tetsuya Nishimoto, chairman of the Joint Staff Council

[JSC], visited China on 19 February as the first senior uniformed officer of the Defense Agency [DA] to visit China, and met with Zhang Wannian, chief of the General Staff of the People's Liberation Army in Beijing. Beginning 20 February, Isokawa is scheduled to hold talks with Chief Zhang; meet with National Defense Minister Chi Haotian; and make an inspection tour of troops.

It has been observed that in addition to exchanging views on the situation in the Asia-Pacific region, including the Korean Peninsula, the two chiefs will give a briefing on each other's defense policies. Reportedly, the Japanese side also plans to call on the Chinese side to ensure transparency in its defense budget and equipment.

In the 1980's, the two nations promoted exchanges in the defense field. For example, former DA Director General Kurihara visited China in 1987. However, such exchanges were suspended in 1989 because of the Tiananmen Incident, but exchanges were resumed in Beijing in March 1994, when consultations on security issues were held between the defense councilor and other DA officials on the one hand, and officials from the Chinese National Defense Ministry on the other.

Kono: PRC Not Breaking Up After Deng's Death

OW1902001595 Tokyo SANKEI SHIMBUN in Japanese 17 Feb 95 Morning Edition p 2

[FBIS Translated Text] The Pentagon recently issued a report on the situation in China following the death of Chinese paramount leader Deng Xiaoping in which it says, "There is a 50-percent chance that China will break up." Commenting on this at a meeting of the House of Representatives Budget Committee on 16 February, Foreign Minister Yohei Kono said: "I do not think that China will move toward disintegration immediately after his death. The country will rather promote its march toward moderate democratization." He thus denied the possibility that China will collapse after Deng's death.

In providing his outlook for the Chinese economy, Kono said: "The economy has been growing rapidly in certain areas. Friction, however, is occurring between those areas and the regions that have seen no growth. The issue concerning the movement of the work force also makes (the future of the Chinese economy) unclear." In this way, he noted that the future of the Chinese economy remains opaque. He also stressed that the government will carefully observe how the return of Hong Kong to China in 1997 and the Taiwan issue will affect the PRC's politics and economy. Kono made his remarks in response to questions by New Democratic Club member Banri Kaieda.

Irish President Robinson Arrives for Visit

OW2002064195 Tokyo KYODO in English 0622 GMT 20 Feb 95

[FBIS Transcribed Text] Osaka, Feb. 20 KYODO—Irish President Mary Robinson flew into Kansai international airport near Osaka on Monday [20 February] for a nine-day visit to Japan.

Robinson will first tour the ancient city of Nara in western Japan before heading for Tokyo on Tuesday, where she will stay until Friday.

She will also visit Hiroshima, Shimane and Osaka Prefectures in western Japan before leaving Feb. 28.

The Irish president will meet Emperor Akihito and Empress Michiko, Prime Minister Tomiichi Murayama, and the heads of the two houses of the Diet during her stay in Tokyo. She will also meet with Japanese business leaders.

High on the agenda for talks between Robinson and Murayama are bilateral relations, international affairs, and topics surrounding the European Union, Foreign Ministry officials said.

Japan hopes Robinson's visit will boost bilateral ties between the two countries, which the officials said are already good, they said.

JETRO Plans To Help Boost Russian Exports

OW2102065295 Tokyo KYODO in English 0635 GMT 21 Feb 95

[FBIS Transcribed Text] Tokyo, Feb. 21 KYODO—The semiofficial Japan External Trade Organization (JETRO) plans to help boost exports from Russia to Japan by providing information to each side about trading companies in both countries, a JETRO official said Tuesday [21 January].

The move is part of a support program for Russia which the two countries agreed on during the visit of Russian First Deputy Premier Oleg Soskovets to Japan last November.

By the end of the year, JETRO hopes to compile into a database information on Russian companies interested in exporting to Japan and details of Japanese firms looking to import from Russia.

Data will then be available at JETRO's Moscow office on Japanese traders, while information on Russian firms will be retrievable on computers at all its branch offices in Japan.

JETRO will ask for cooperation from Russian economic organizations in collecting the necessary data on Russian companies.

It is also considering sending experts to Russia to study products which could be exported to Japan, and to give local people advices on exporting them, the official said.

Another plan is to hold trade shows in Japan to publicize Russian products, he added.

Industry sources say Japanese companies are likely to welcome the prospect of getting more information on Russian firms. However, much of the success of the planned new data base will depend on how much accurate information JETRO can provide on matters such as company management and credibility, they said.

Kono To Seek Progress on Territorial Dispute

OW2102042095 Tokyo KYODO in English 0339 GMT 21 Feb 95

[FBIS Transcribed Text] Tokyo, Feb. 21 KYODO—Foreign Minister Yohei Kono expressed his wish Tuesday [21 February] to make a progress in the territorial dispute over four Russian-held islands off northern Japan in talks with his Russian counterpart Andrey Kozyrev starting March 2.

"I recognize the territorial issue is an extremely big and serious issue," Kono told a press conference after a regular cabinet meeting.

Kozyrev will visit Tokyo for a three-day stay to discuss mainly bilateral issues with Kono.

Kono also said he intends to exchange views with Kozyrev on other issues such as military intervention in the secessionist republic of Chechnya.

"Japan supports democratization and liberalization of Russian politics and the economy, so the process of opening can never be turned back," Kono said. "In that respect, I am interested in the Chechnya issue too."

Also high on the agenda is proposed bilateral cooperation on fishing in waters around the disputed islands, Foreign Ministry sources said.

Kozyrev is also scheduled to meet Prime Minister Tomiichi Murayama during his stay, the sources said.

Kozyrev's visit was originally scheduled for December or January according to an agreement between the two foreign ministers reached during their meeting in New York in September, but was delayed on Russia's request.

Signs of Change in Pyongyang Stance Seen

OW1802091895 Tokyo TOKYO SHIMBUN in Japanese 17 Feb 95 Morning Edition p 3

[Article by Tadahiko Nasa, member of the TOKYO SHIMBUN Editorial Board: "Change in North Korea's Stance Toward Japan"]

[FBIS Translated Text] North Korea has continued to criticize Japan, but signs have recently been seen of a change in its stance toward Japan. Prime Minister Murayama, at a session of the Budget Committee of the House of Representatives, remarked, "The Japanese people were responsible for the present division of the Korean peninsula," but he retracted the remark soon afterward. As an example of the signs of a change in North Korea's stance toward Japan, NODONG SINMUN, organ of the Workers Party of Korea, in its 10 February issue, ran a commentary claiming that "Japan was responsible for the division of the Korean peninsula," but refrained from criticizing Prime Minister Murayama by name.

A senior Foreign Ministry official said, "It is certain that North Korea intends to improve relations with Japan and is interested in resuming talks with it," adding that the Foreign Ministry has observed the signs of a change in North Korea's stance toward Japan.

A government official, who is in charge of contacting North Korea behind the scenes, said he has observed the signs of a "change" in North Korea's recent responses to Japan, as the senior Foreign Ministry official has said. In reaction to Japan's call for holding preliminary talks to discuss resumption of the stalled Japan-North Korea normalization talks, NODONG SINMUN on 19 January carried a commentary saying, "The ball is in Japan's court." North Korea still shows no signs of its willingness to go along with Japan's call. It can be said that a change in North Korea's stance toward Japan will turn out to be "real" only when it accepts Japan's call.

MOF To Permit Issues of Junk Bonds

OW1802065995 Tokyo KYODO in English 0548 GMT 18 Feb 95

[FBIS Transcribed Text] Tokyo, Feb. 18 KYODO—The Ministry of Finance [MOF] will allow issues of "junk bonds," or corporate bonds with low debt ratings for public subscription in fiscal 1995, which begins in April, ministry officials said Saturday [18 February].

The move follows a January accord at the Japan-U.S. framework trade talks on financial services, they said.

Under its current regulations, the ministry requires debt ratings of triple B or higher for issues of unsecured corporate bonds for public subscription.

The ministry plans to scrap curbs on issues of bonds with ratings of double B or lower for public subscription by the end of the current business year, the officials said.

Brokerage house officials have welcomed the ministry plan, which will allow more companies to raise funds by issuing bonds, which are questionable in credit strength but high-yielding.

Some officials, however, have expressed concern over possible trouble with bond purchasers in case bond prices fall sharply, noting that Japanese in general are unaware of the principle of "caveat emptor."

Among institutional investors, life insurance companies invest only in bonds with ratings of A or higher.

ICJ Seeks Tokyo's View on Nuclear Arms

OW2002132895 Tokyo ASAHI SHIMBUN in Japanese 18 Feb 95 Morning Edition p 3

[FBIS Translated Text] On 17 February, the Ministry of Foreign Affairs [MOFA] received from the International Court of Justice (ICJ) a letter of inquiry asking about Japan's view on a question of whether the use or threat of use of nuclear arms violate international law. The MOFA has decided to entrust Yohei Kono, deputy prime minister and foreign minister, with making a political decision on this matter. A senior MOFA official said: "In view of the fact that this question became a political problem last year, we cannot help treating this as a political issue." Instead of discussing these problems, including a question of whether to send a reply, under the leadership of bureaucrats, the ministry intends to follow Kono's direction and ask the prime minister's secretariat to make a final decision.

In its reply to the question asked by the World Health Organization through the ICJ in June last year, the government, mainly the MOFA, tried to indicate Japan's view that "the use or threat of use of nuclear arms cannot be regarded as violating international law." However, the government eventually deleted this from its reply because its stand had posed a political problem.

Following the UN General Assembly's resolution, the ICJ has sent the letter of inquiry. Some MOFA officials think that Japan does not need to answer the United Nations' question because it has already replied to the WHO's query. However, since the core of Japan's stand has been deleted from the last reply, foreign countries think that the "Japanese Government has avoided indicating its stand on this issue." Therefore, some MOFA officials firmly insist that Japan should clearly show its stand.

The letter of inquiry requests the governments concerned to submit a letter of declaration by 20 June. Only those governments which send their replies are allowed to submit position papers by 20 September.

Tokyo To Allay Fears Over Radioactive Shipment

OW2102113095 Tokyo KYODO in English 1026 GMT 21 Feb 95

[FBIS Transcribed Text] Tokyo, Feb. 21 KYODO—Japan will continue to try to allay concern expressed by countries over shipments of high-level radioactive waste from France, set to begin on Thursday [23 February], Foreign Ministry Spokesman Terusuke Terada said Tuesday.

Terada told a press conference Japan has been discussing the shipments with such countries and, he believes, has won understanding from some of them.

Tokyo will continue to explain its view to those countries, he said, although it cannot disclose the route the ship will take, "to enhance their understanding and dispel any concerns which may exist."

Terada acknowledged that some countries in the Caribbean, South Pacific and East Asian regions have voiced opposition to or concern over the scheduled shipments, but declined to reveal how many.

A British vessel, Pacific Pintail, carrying the Japanese radioactive waste reprocessed by the French state-owned nuclear fuel company Cogema, will leave the French port of Cherbourg on Thursday.

The waste is mixed with glass and shipped in the form of 28 solid components in a cask.

The route will not be disclosed, but the ship is scheduled to arrive at the Japanese port of Mutsu-Ogawara in Aomori Prefecture in northern Japan in April, Terada said.

The nuclear waste recycled in France will be transported to Rokkasho in the same prefecture in 10 to 20 shipments over the next 10 years.

Terada said he thinks the routes of future shipments will also not be disclosed.

Meanwhile, a citizens' group opposing nuclear recycling announced Monday that the planned shipment of nuclear waste from France to Japan will be marked by a very high level of radioactivity.

Only one piece of vitrified nuclear waste in a transport container will generate radioactivity four times stronger than international standards, the group said, citing its own estimate.

The French national fuel processing company Cogema will soon ship the nuclear waste produced in the recycling of spent nuclear fuel to Rokkasho, Aomori, where a nuclear recycling facility is located.

Cogema has reprocessed spent nuclear fuel from four Japanese electric power companies.

The first batch will contain 28 pieces of vitrified waste to be carried in a special container.

The civil group, which calls itself the Society for the Study of High-Level Radioactive Waste, says it is certain the radioactivity levels on the vessel carrying the waste will far exceed international standards and is urging the government to publish such data on the shipment.

French To Announce Nuclear Shipment Beforehand

OW1802003995 Tokyo KYODO in English 2304 GMT 17 Feb 95

[FBIS Transcribed Text] Tokyo, Feb. 18 KYODO—The French national fuel reprocessing company Cogema has disclosed it will announce the name of the ship to carry nuclear waste from France to Japan and the date of its departure 48 hours before the vessel leaves the port of

Cherbourg, Japan's Federation of Electric Power Companies said Friday [17 February].

Japanese and French industry sources had previously said they would announce the name of the ship and the date of departure 24 hours beforehand.

The international environmental group Greenpeace said it expects that the loading of the nuclear waste will start at Cherbourg early next week.

Cogema has reprocessed nuclear waste from four Japanese electric power companies and is scheduled to ship the first batch back to Japan in the latter half of the month.

The vessel's voyage is expected to take a month and a half to two months and the load is scheduled to be discharged in April at a port near the village of Rokkasho in Aomori Prefecture, northern Japan, where the waste will be temporarily stored.

Antinuclear Group Urges Port Denial to Vessel

OW1802123795 Tokyo KYODO in English 1041 GMT 18 Feb 95

[FBIS Transcribed Text] Aomori, Japan, Feb. 18 KYODO—A Japanese civil antinuclear organization has sent requests to countries along the expected transport route of a ship carrying nuclear waste from France to Japan for them to refuse the vessel entry into their territories, organization members said Saturday [18 February].

The group in Hirosaki, Aomori Prefecture, has sent request letters to 44 Latin American and Pacific Rim countries to refuse the shipment to pass through their territorial waters.

The letters warned that any accident during the transport between France and Aomori in northern Japan would lead to serious global radioactive pollution.

The French national fuel reprocessing company Cogema has disclosed it will announce the name of the ship to carry nuclear waste from France to Japan and the date of its departure 48 hours before the vessel leaves the port of Cherbourg, according to Japan's Federation of Electric Power Companies.

The international environmental group Greenpeace said it expects the loading of the nuclear waste will start at Cherbourg early next week.

Cogema has reprocessed spent nuclear fuel from four Japanese electric power companies and is scheduled to ship the first batch of nuclear waste from the reprocessing back to Japan in the latter half of the month.

The vessel's voyage is expected to take six to eight weeks and the load is scheduled to be discharged in April at a port near the village of Rokkasho in Aomori, where the waste will be temporarily stored.

Recycling Group Exhibits Nuclear Waste Disposal

OW2002122895 Tokyo KYODO in English 1206 GMT 20 Feb 95

[FBIS Transcribed Text] Mito, Japan, Feb. 20 KYODO—Japan's nuclear recycling organization Monday [20 February] put on media display high-level radioactive waste converted into glass form for storage deep underground.

The semigovernmental Power Reactor and Nuclear Fuel Development Corp. (PNC) exhibited to the press the first such material produced at its Tokai Vitrification Facility (TVF) in Tokai, Ibaraki Prefecture.

The material is made by vitrifying, or changing into glass, the radioactive waste produced in the reprocessing of spent nuclear fuel.

The glass waste is packed in radioactivity-proof stainless steel cylinders with a 43-centimeter diameter and a height of 1 meter.

The PNC started a test operation of the vitrification facility at the Tokai plant toward the end of last year, and plans to produce some 10 pieces of the vitrified nuclear waste by the end of March to study the safety of the technology.

The materials were to be transported to a storage facility in Hokkaido for storage of 30 to 50 years, during which time the PNC would decide on a final underground storage site.

The Hokkaido Prefectural Government, however, has indicated it is dead set against accepting the waste, thereby derailing the storage project.

The PNC now plans to store the waste in a TVF safekeeping pit which can contain up to 420 cylinders of the nuclear waste for the time being.

Offical Team To Study Work of FEMA in U.S.

OW2102100195 Tokyo KYODO in English 0952 GMT 21 Feb 95

[FBIS Transcribed Text] Tokyo, Feb. 21 KYODO—A government fact-finding mission left for Washington on Tuesday [21 February] to study the acclaimed work of the U.S. Federal Emergency Management Agency (FEMA) in the field of relief and reconstruction.

The team is made up of officials from the National Land Agency and other government bodies involved in disaster management, government officials said.

Japan's emergency management has come under fire for its slow response to the great Hanshin earthquake that hit Kobe and its vicinity Jan. 17.

Two FEMA survey teams separately visited Japan earlier this month for on-site inspections of damage in the quake-ravaged areas.

Agency director James Lee Witt, who led one of the delegations, has proposed that Japan and the United States share information and technologies to cope with natural disasters in the future.

The mission is scheduled to return home Sunday.

Kaifu Discusses Government Crisis Management

OW1902111195 Tokyo YOMIURI SHIMBUN in Japanese 17 Feb 95 Morning Edition p 2

[Interview with Toshikai Kaifu, New Frontier Party president and former prime minister, by unidentified YOMIURI SHIMBUN correspondent; place and date not given]

[FBIS Translated Text] [Correspondent] The government had a crisis management problem at the time of the Gulf war. For instance, when the government decided to dispatch Self-Defense Forces [SDF] aircraft to transport refugees, some people criticized it as being an action stemming from an overextended interpretation of the law. What was your thinking at that time, pressed between the question of legality and the urgency of the situation?

[Kaifu] Since there are limitations to what commercial aircraft can do, I thought we should provide SDF aircraft. I thought whatever was available should be put to use. Some people complained about this, saying "law needs to be abided by," but I told them "this will be the cabinet's responsiblity." In the end, when everything was set to go, we learned there were no refugees to transport, and therefore, there was no use for the SDF planes. What we found out was that we did not have accurate information.

[Correspondent] Did the Cabinet Security Affairs Office and the Security Council function well at the time of the Gulf crisis?

[Kaifu] When Iraq invaded Kuwait, I suggested calling a Security Council meeting. But this suggestion met with opposition by people who argued: "We can call it only if Japan comes under attack. But this is not that kind of situation. So, the meeting cannot be called." But I managed to have it called anyway.

[Correspondent] Do you think the system should be revised?

[Kaifu] This is a matter of how the government should collect accurate information without delay rather than an issue of what kind of system it should have. It is also important that once enough information is in hand, the government must be able to take action immediately while considering the worst possible situation. If and when all necessary preparations have been made, it turns out that such preparations were not necessary, then that simply means that all has gone well.

[Correspondent] Do you think there were some problems in the case of the Hanshin earquake in that respect?

[Kaifu] I still think the government should have set up an emergency disaster countermeasure headquarters based on the Basic Law on Disaster Countermeasures (Article 107). The response (of the prime minister's office) was that that could not be done because actions thereafter would have restrained private rights. And that is what the critics of the law said at the time when the law was enacted. Private rights need to be curtailed to a certain extent if urgent relief actions are to be taken.

[Correspondent] What do you think the correct way of transmitting information to the prime minister's office should be?

[Kaifu] Once, during a hijacking incident, (while Kaifu was prime minister) even though a television reporter was saying "now passengers have started to come out of the plane" while showing a video of the scene, the chief cabinet secretary at that time was telling reporters at a news conference something different, something that was already an old story. In those days, information was conveyed by officials on site to police chiefs in the prefectural police department via telephone, and from there, the information was relayed to Tokyo. But it did not come to the prime minister's office directly. On the occasions when it did come directly, it still could not beat the television reports. At that time, I felt information should be made available to the prime minister's office on an on-line basis.

[Correspondent] You mean to say nothing has been done to improve the problem since then?

[Kaifu] No, at that time, I requested that information be provided to the prime minister's office instantaneously. As such, the situation is supposed to have improved since then. But the Hanshin earthquake disaster was different from the hijacking case. In this case, the information on the earthquake finally ended up at the National Land Agency's Disaster Prevention Bureau, and not at the prime minister's office. That system should be changed so that reports and information arrive at the prime minister's office via multi-media channels instantaneously and accurately.

[Correspondent] Will you explain the revised Basic Law on Disaster Countermeasures that the New Frontier Party is seeking to act on?

[Kaifu] The law needs to be revised so that information can reach the prime minister (without delay); the SDF troops may be mobilized at the request of the disaster countermeasure headquarters; and the SDF may, on its own judgment, seek instruction from the countermeasure headquarters or the prime minister, who is the supreme commander-in-chief.

[Correspondent] What about the idea of specifying disaster relief operations on the SDF'S mission list in Article 3 of the Law Governing the SDF? [Kaifu] There are many views. According to that law, the primary rationale [for having the SDF] is for it to defend the national land and to protect the lives and property of the people. But after all, as far as the matter of protecting the peoples' lives and property is concerned, the response should be the same whether the protection comes as a result of enemy action or natural disasters. On the other hand, if it is decided that the law should be revised, then there can be many views and discussions.

[Correspondent] The New Frontier Party has announced it will seek the "legislation of an emergency law governing national crisis management" as a way of dealing with future earthquake disasters. Does the party intend to go ahead with discussions on the law and to include national security aspects in the discussions?

[Kaifu] The party wants the government to recognize natural disasters as being emergency situations and to improve their capabilities to manage the crisis caused by such disasters. Some people note the possibility of the law being applied to foreign affairs. But that [foreign affairs] and this [natural disasters] are two different things. The primary purpose for the law is to deal with big earthquake disasters.

New System To Respond to Emergencies Approved

OW2102044895 Tokyo KYODO in English 0342 GMT 21 Feb 95

[FBIS Transcribed Text] Tokyo, Feb. 21 KYODO—Prime Minister Tomiichi Murayama's cabinet on Tuesday [21 February] approved the establishment of a new system to gather information about major earthquakes and other natural disasters as quickly as possible, officials said.

The system features the use of reconnaissance planes and helicopters in the event of quakes registering 5 or more on the Japanese intesity scale of 7 in Tokyo, and 6 or more in other parts of Japan, to help the premier obtain first-hand information easily.

Information about calamities will also be collected from major public institutions such as railway companies, and electric power and gas suppliers.

In addition, officials in charge of responding to natural disasters will be stationed round-the-clock at the cabinet information research center.

The government will provide training by the end of February for the new information-gathering system, which starts operation on Tuesday.

The launching of the fresh system is based on the Murayama government's alleged failure to quickly and effectively grasp the scale of damage caused by the Jan. 17 earthquake in western Japan, Chief Cabinet Secretary Kozo Igarashi said at a news conference.

At Tuesday's informal cabinet meeting, the top government spokesman said, some ministers pointed to the need to foster a cooperative relationship between central and local governments over crisis management.

Murayama has been under fire for his supposedly flawed handling of the aftermath of the great Hanshin earthquake which hit the port city of Kobe and its environs last month and killed more than 5,400 people.

NGO's 'Agonizing' Over Lack of Coordination

OW2002104595 Tokyo KYODO in English 1018 GMT 20 Feb 95

[FBIS Transcribed Text] Osaka, Feb. 20 KYODO—Nongovernmental organizations (NGOs) engaged in relief activities in the quake-stricken areas of western Japan are agonizing over the lack of coordination among the tens of thousands of volunteers in the area, a survey released Monday [20 February] shows.

KYODO NEWS SERVICE asked some 20 organizations by phone to report problems that emerged during more than one month of relief operations in Kobe and its environs, and to make suggestions to improve volunteer assistance for future disaster relief.

Most organizations cite "assisting quake victims to become independent" from outside help as their top priority, as most of the 210,000 people still living in shelters might have to stay there for months before being able to move to temporary homes or other places.

They have realized, however, that close cooperation among the various groups as well as with local authorities is imperative for effective, long-term quake assistance, the survey results indicate.

"We felt pretty helpless groping our way around relief activities, since we didn't have a clue about the overall situation," an Osaka-based group for Korean residents said in describing the weaknesses of its quake action.

A Kobe women's group decried its incapacity to determine where help was needed most. "We were not able to bring together people asking for help and people willing to help," the group said.

A group backed by a consumers' cooperative suggested creating a network of volunteer organizations "to hand down the experience gained this time."

One group that has provided hot meals to people in shelters cited their successful model of encouraging self-help among quake victims.

"We certainly asked the quake victims to help (preparing food) and, after being provided with knives and other cooking utensils, they started to cook themselves the following day," the group said.

Local governments drew criticism for failing initially to provide emergency aid to the elderly, handicapped people and others who fall through the net of existing disaster schemes and relief measures.

Another cause for concern was that "foreigners from countries other than English-speaking ones were shut out from (receiving quake-related) information."

"We need a venue that allows volunteers, quake victims and authorities to discuss what has to be done next," was another suggestion made in the course of the survey.

The idea is being shared by Hiroko Inagaki, in charge of volunteers at the disaster headquarters of Hyogo Prefecture.

"As the authorities, we would like to have a forum for dialogue sooner or later because we recognize the importance of volunteer activities," she said.

Some 36,000 volunteers—nonorganized individuals and NGO members—have registered with the prefectural disaster headquarters.

The actual number of volunteers in the quake areas is estimated to be significantly higher as many people went there on their own account. "I think, the fact that many people rushed up to the disaster scene on their own initiative gave the quake victims warmth and encouragement," Inagaki said.

Ruling Coalition Reform Team Holds First Meeting

OW2102075095 Tokyo KYODO in English 0737 GMT 21 Feb 95

[FBIS Transcribed Text] Tokyo, Feb. 21 KYODO—A special panel of the ruling coalition parties Tuesday [21 February] held its first meeting to discuss the proposed streamlining of government-affiliated financial institutions.

The working group, chaired by former Home Affairs Minister Masajuro Shiokawa of the Liberal Democratic Party (LDP), decided to hold its regular sessions Tuesdays and Thursdays to thrash out specific measures on the handling of publicly funded finance corporations, officials said.

At Tuesday's meeting, the panel heard reports from Finance Ministry officials on government-backed financiers with a view to holding full discussions later, the officials said.

A group member proposed presenting as the first batch some reform steps by the end of March 31, the deadline set by Prime Minister Tomiichi Murayama for a review of all special public corporations, they said.

On Feb. 10, the coalition parties announced watered-down administrative reform measures featuring abolition or integration of some publicly funded companies but failed to strike a deal on the mergers of some financiers.

The LDP is proposing to break up the Export-Import Bank of Japan, controlled by the Finance Ministry, into the Japan Development Bank and the Overseas Economic Cooperation Fund.

Finance Minister Masayoshi Takemura, head of New Party Sakigake [Harbinger], has proposed combining the Japan Development Bank with Hokkaido and Tohoku Development Corp., which is under the jurisdiction of the Hokkaido Development Agency.

Merger of Public Financial Firms Criticized

OW1802062395 Tokyo SANKEI SHIMBUN in Japanese 16 Feb 95 Morning Edition p 9

[Article by SANKEI SHIMBUN commentator Takashi Isobatake: "Deceptive Decision by Government, Ruling Parties on Merging Government-Invested Financial Institutions Results in Loss of the People's Confidence in Politicians and Bureaucrats"]

[FBIS Translated Text] A recent decision by the government and ruling parties on streamlining special public corporations, especially on merging government-invested financial institutions, has resulted in a great loss of the people's confidence in politicians and bureaucrats. The approval rating of the Murayama cabinet will undoubtedly plummet because of its incompetence in crisis management which was exposed by the great Hanshin earthquake and because of its bungling concerning aiding earthquake victims and in rebuilding quake-hit areas.

The Murayama cabinet might collapse once the budget for FY 1995 is enacted in the Diet and a package of measures to rebuild quake-hit areas has been mapped out. Cynically speaking, leaders of the government and ruling parties, in anticipation of the collapse of the Murayama cabinet, are assumed to have agreed that the ruling parties will draw up plans to merge government-invested financial institutions for deliberation in the Diet during its current session.

Aside from that assumption, I would like to state conclusively my views on merging the government-invested financial institutions.

Basically, about 100 special public corporations and government-invested financial institutions spend annually approximately 250 trillion yen as financial operation funds. In combination with other funds, the total rises to nearly 320 trillion yen. The government and ruling parties should have made a decision after carrying out a comprehensive assessment of those special public corporations and government-invested financial institutions. This is the logical way for them to get things done. If they fail to deal with the issue of streamlining the special public corporations and of merging government-invested financial institutions in that way, fiscal and administrative reform cannot be carried out.

In that respect, I see the rationale in the proposal that Ryutaro Hashimoto, minister of international trade and industry, offered amid the recent fuss over streamlining the special public corporations and merging the government-invested financial institutions. If the Hashimoto proposal is diluted by resistance from bureaucrats, what

I can applaud is only an agreement reached between the ruling parties that they will demonstrate their political leadership in setting a deadline for reaching a conclusion. The ruling parties have no choice but to decide to focus their efforts on merging the government-invested financial institutions. The ruling parties must listen to the opinions of not only officials at financial investment institutions but also those of intellectuals extensively.

In connection with the financial investment plan, the government has to recognize the fact that many of the special public corporations and government-invested financial institutions, which receive subsidies from the central government and local autonomous governments, deserve to exist. It is wrong to argue that all of them have lost their reason d'etre and that they must be disbanded or privatized. Such a position is based on the idea of denying the role of a modern state.

Such a view is popular among the masses and the news media, but many journalists speak highly of [the government's] postal savings and insurance services and claim that the service offered is better than that provided by private firms. The postal savings system, however, should be abolished. Is the government prepared to abolish this system?

I am not opposed to streamlining organizations invested in and financed by the government. I believe that the previous decision by the government and ruling parties is nothing but a trick. The government and ruling parties should think of how to drastically streamline special public corporations and to merge government-invested financial institutions. I believe that if the government intends to complete merging government-invested financial institutions by combining the Export and Import Bank of Japan with the Japan Development Bank, it will be a trick.

If the government is to merge the government-invested financial institutions, it has to reassess their areas of business rather than just merge them. I would like to propose that the Japan Development Bank and the Small Business Finance Corporation be merged into a single financial organization that is mandated to extend loans to develop advanced-technology and venture firms. The government should consider the possibility of the Export and Import Bank of Japan absorbing the Trade and Insurance Special Account and the Overseas Economic Cooperation Fund.

The People's Finance Corporation and the Environmental Sanitation Business Financing Corporation should be merged. I believe that the Housing Loan Corporation and the Agriculture, Forestry, and Fisheries Finance Corporation should only evaluate loan applications and manage extended loans, and streamline their services. All of the government ministries involved need to consider reorganizing the special public corporations and government-invested financial institutions. I would like to propose that executives of special public corporations and government-invested financial institutions be appointed from the private sector.

Yayama Views Special Corporation Reform

OW1902132795 Tokyo SANKEI SHIMBUN in Japanese 15 Feb 95 Morning Edition p 6

[Article by political commentator Taro Yayama: "Poor and Miserable Handling of Reform of Special Status Corporations"]

[FBIS Translated Text] **Roles of Japan Raw Silk and Sugar Price Stabilization Agency and Maritime Credit Corporation Have Been Completed**

In dealing with the reform of special status corporations, which is the centerpiece of the Murayama cabinet's administrative reform, the cabinet only engaged in a numbers game [kazuawase] by deciding to merge unnecessary corporations. The Murayama cabinet has postponed solving the focal issue of integrating and privatizing government-affiliated financial institutions before the end of the current Diet session in June. This has clearly indicated Prime Minister Tomiichi Murayama's lack of insight and leadership.

The common view on administrative reform among the special ad hoc commission on administrative reform under the late Toshio Doko, the Third Provisional Council for the Promotion of Administrative Reform, and other administrative reform councils represents the following two points: 1) government corporations should devote themselves to supporting private corporations; and 2) publicly- funded corporations whose roles have been completed should be abolished. The Administrative Reform Promotion Headquarters (headed by the prime minister) has been set up based on the view that since a bureaucrats-led administrative reform council is unable to point out, in concrete terms, which corporations are unnecessary or should be privatized, politicians should take the lead in deciding on the issue.

I would first like to point out special status corporations "whose roles have been completed." The Japan Raw Silk and Sugar Price Stabilization Agency [JRSSPSA] will be first on the list. Because the system of importing raw silk through only one channel [ichigen yunyu seido] was adopted to protect silk-raising farmers, silk merchants are now on the verge of bankruptcy due to the increase in raw material prices. However, the number of silk- raising farmers who are supposed to be protected has decreased every year by about 7,000 to 8,000, and the number of such farmers is now lower than 20,000. We have no reason to believe that the one-channel import system should be continued. What advantages will result by merging the JRSSPSA, which does more harm than good, with the Livestock Industry Promotion Corporation, which has already become useless?

The Maritime Credit Corporation [MCC] must be abolished along with a shipload coordination cartel [senpuku chosei cartel] in the coastal shipping industry. As a result of the cartel, coastal freight rates are comparatively high. Susumu Tenporin, Japanese Shipowners' Association chairman, said: "Transporting a container to the Kobe

Port from the United States or Europe costs $1,600 to $1,700. However, transportation from Kobe Port to Hokkaido costs approximately $2,500." One of the reasons for the high freight rates is that a large number of those who are engaged in the coastal shipping business only own one ship, and the scale of their business is small. The thing that impedes the expansion of their business scale is the ship building system, which is controlled by the MMC. As a result, there are increasing cases in which containers are transported by ocean-going ships from Europe or the United States to Pusan or Kaohsiung, where containers are transferred from these ships to smaller ocean-going ships to be transported to Japanese ports. With the earthquake damage at Kobe Port, the hollowing out of the coastal shipping industry will be further accelerated. Maintaining the MCC by merging it with the Railway Development Fund is humbug. Both the JRSSPSA and the MCC (including the cartel) have "completed their roles."

Discussions on government-affiliated financial institutions focused on negotiations on how to merge such institutions. However, the question is whether or not it is meaningful to maintain such institutions as public organs.

According to the flow-of-funds accounts by the Bank of Japan [BOJ], the share of financing loans provided by public financial institutions was only 3.6 percent in 1955. However, the share increased to as much as 20.0 percent in 1975. For this reason, the special ad hoc commission chaired by the late Doko spelled out its policy (in 1981) that "government corporations should devote themselves to supporting private corporations." However, the share of public financing loans have continued to increase since then, reaching a surprising 43.2 percent in 1993. This means that public financing institutions have completely outrivaled private business (banks). On the other hand, it can be said that commercial banks—where high-ranking officials of the Finance Ministry and the BOJ land a fat job upon retirement—have behaved like a government corporation in personnel affairs. In addition, most banks have, for a long time, failed to awake from their dependence on the system of being escorted [by the government and the BOJ], and they have also failed to break away from the management practice of avoiding risky finance and investment.

Through deregulation efforts, existing businesses under regulation will be eradicated. At the same time, deregulation will bring about opportunities to create new and better businesses. However, while commercial banks have become like public corporations, the financing of loans by public institutions have increased. As a result, investment in venture firms is surprisingly inactive in Japan. While 6,377 firms opened their over-the-counter stocks to the public in the United States over the past ten years, only 443 firms have done so in Japan. Japan is like a financial socialist country. Although Ryutaro Hashimoto, international trade and industry minister, has stated that "specialized financing institutions are needed to foster industries," the actual situation is that public financial institutions have completely failed to play the roles of fostering industries. To begin with, it is anachronistic to expect those institutions to fulfill such roles.

Public financial institutions played a certain role in the post-war reconstruction process. However, we can never tell what will become Japan's leading industry in the upcoming era. As public corporations have pushed themselves forward to this extent in the financial world at a time when [financial activities] should be entrusted to the "invisible hand of God," Japan has no bright future.

In 1994, the amount of transactions on the U.S. NASDAQ (National Association of Securities Dealers Automated Quotations) market exceeded that of the New York Stock Exchange. On the other hand, in Japan, the transaction of over-the-counter stocks accounted for only 3 percent of the amount of transactions on both the first and second sections of the Tokyo Stock Exchange.

Dividing and Privatizing Postal Savings Is Inevitable

What is behind this sharp increase in the share of public financing loans is the expansion of postal savings. Although postal savings accounted for 18.4 percent of the balance of individuals' deposits and savings in 1980, the percentage expanded to 32.6 percent in 1993. This is nothing more than public financial institutions outrivaling private businesses. If public institutions push themselves forward to such an extent in the financial field, which can considered the nervous system of capitalism, there is a danger that capitalism will lose its soundness.

With the government's backing, the postal savings system collects funds through goods that commercial banks are unable to provide. Government-affiliated financial institutions lend others these collected funds under the government's finance and investment system. This vicious cycle has completely distorted the financial market. There is only one solution to this situation. Ultimately, the postal savings system should be divided and privatized, and all government-affiliated financial institutions should be privatized. They should then compete with commercial banks under the same conditions. The United States and Canada abolished the postal savings system in the 1960's in view of monetary liberalization. The Netherlands has privatized postal banks. Germany and Italy have also decided to abolish the postal savings system. From the viewpoint of this world trend, the division and privatization of the postal savings system is the natural course to take.

Two Bills To Rebuild Quake-Hit Areas Passed

OW2102051295 Tokyo KYODO in English 0430 GMT 21 Feb 95

[FBIS Transcribed Text] Tokyo, Feb. 21 KYODO—The House of Representatives on Tuesday [21 February] unanimously passed two bills for reconstructing western Japan cities and towns devastated by the Jan. 17 great Hanshin earthquake.

The two bills—"a Basic Restoration Law" and "a Special Restoration Measures Law"—are expected to be enacted Wednesday and Friday respectively after their passage through the House of Councillors, government officials said.

Under the Basic Restoration Law, the government will pledge to extend full assistance for reconstruction of the earthquake-stricken areas and it will set up a headquarters for the project to rebuild Kobe and its vicinity.

The basic law calls for the government and regional public organizations to jointly reconstruct the life of residents by respecting their will.

The Special Restoration Measures Law will designate areas where houses were destroyed and burned out as reconstruction promotion districts, and then oblige people living in the areas to get permission to build their houses in order to redevelop the areas smoothly.

Bills To Deregulate Power, Oil Industries Ready

OW2002093495 Tokyo KYODO in English 0922 GMT 20 Feb 95

[FBIS Transcribed Text] Tokyo, Feb. 20 KYODO—The Ministry of International Trade and Industry (MITI) said Monday [20 February] it has prepared two bills to promote competition in Japan's petroleum and power industries.

The bills will be approved by the cabinet Tuesday and will be presented to the current ordinary session of the diet, a MITI official said.

The bill regarding oil is in line with a proposal made recently by the Petroleum Council, an advisory body to the MITI chief, for scrapping the law that limits imports of petroleum products to oil refiners, the official said.

The proposal calls for higher quality standards and stricter regulations on petroleum storage by new entrants as a way to ensure a stable supply of high-quality products after abolition of the current law.

The repeal of the law is expected to stimulate entry into the oil import business by trading houses and other ordinary companies.

The bill also seeks abolition of a system to designate operation areas of gas stations by the end of October 1996 to make them economically more efficient and competitive.

The other bill, targeting the nation's electric power industry, is based on a proposal by the Electricity Utility Industry Council for infusing competitive elements in the wholesale power business, the official said.

The bill calls for free entry into the business by corporations other than the 10 major electric power companies.

As a way to back up liberalization, the bill said an auction system should be introduced for competitive sales by ordinary firms.

At present, corporations other than the 10 firms must obtain an administrative permit to begin wholesale business, which is limited to sale to the 10 companies.

Both bills are intended to reduce domestic prices of petroleum products and electric power, which are extremely high compared with those in the United States and other major countries.

Opposition To Press for Murayama's Resignation

OW2002164495 Tokyo KYODO in English 1519 GMT 20 Feb 95

[FBIS Transcribed Text] Niigata, Japan, Feb. 20 KYODO—The largest opposition party Shinshinto (New Frontier Party) will beef up pressure on Prime Minister Tomiichi Murayama to resign for his inability to cope effectively with crucial issues such as quake relief, a party leader said Monday [21 February].

The party is discussing its strategy at leadership meetings designed to develop parliamentary debate into arguments focused on the political responsibility of the Murayama administration, deputy party head Takashi Yonezawa said during a stumping tour of this northern Japan city.

Asked by reporters if the remarks mean the opposition camp will press for Murayama's resignation, Yonezawa said, "it's okay to take them that way."

Some opposition members have accused the Shinshinto leadership of losing voter confidence in the opposition camp by allowing murayama's tripartite coalition to stay afloat despite signs of cracks in the ruling alliance, including a threatened separatist move in the prime minister's Social Democratic Party.

But Shinshinto will take the initiative in attacking the Murayama government for its slow initial response to the Jan. 17 quake and failure to hammer out a reform plan for public corporations, Yonezawa said.

Cabinet Reshuffle After Budget Passage Foreseen

OW2102125295 Tokyo NIHON KEIZAI SHIMBUN in Japanese 20 Feb 95 Morning Edition p 2

[FBIS Translated Text] Rumors are rife in the ruling coalition parties that a cabinet reshuffle will come immediately after the FY95 budget is passed in late March. The purpose of the reshuffle is to restore the unity of the Murayama administration after conflicts surfaced within the government and the ruling parties over the reorganization and rationalization of special public corporations and the compilation of reconstruction measures for the great Hanshin earthquake. Some Liberal Democratic

Party [LDP] and Social Democratic Party of Japan [SDPJ] members have already expressed support for the plan.

However, the administration is expected to face a multitude of policy issues, including the implementation of the earthquake reconstruction plans and deregulation, even after the enactment of the FY95 budget. Some people believe that a reshuffle may, on the contrary, accelerate the maneuverings for the post-Murayama administration, and further weaken the political base of Prime Minister Tomiichi Murayama. Keeping in mind possible moves on the part of the New Frontier Party, the ruling coalition parties are expected to engage in subtle behind-the-scenes maneuverings.

LDP members have been enthusiastic for some time about a cabinet reshuffle which will also be linked to personnel changes in the LDP leadership. However, a senior official of the pro-Murayama faction in the SDPJ, under instructions from the prime minister, had rejected such a suggestion from LDP leaders to reshuffle the cabinet last December, soon after the end of the extraordinary Diet session. At that time, he said, "The cabinet which compiled the budget should assume the responsibility of seeing it pass through the Diet."

Barring any untoward occurrences in the deliberation process, the FY95 budget expects to be passed in late March. A senior SDPJ official now says: "March can be an appropriate time for a reshuffle, since the Diet will go into recess for the simultaneous local elections."

Conflicts between the LDP and Sakigake have been resulted over the merger of government banking institutions. The government has also been criticized for the delay in its initial response to the great Hanshin earthquake. Behind the talk of a reshuffle is the "desire to project a better image of the administration" (according to an SDPJ source).

This also has to do with the situation within the SDPJ. Obviously, one of the motives is to divide the forces of Sadao Yamahana, who plans to form a new democratic-liberal party after the simultaneous local elections in April, by coopting some of his supporters into the cabinet, in order to "preempt a major split in the party" (according to a senior official of the pro-Murayama faction). The appointment of Churyo Morii, who is close to Yamahana, as a cabinet member has long been rumored inside the party.

On the part of the LDP, close aides of President Yohei Kono (deputy prime minister and foreign minister), who plans to run for reelection in the party presidential race this autumn, are thinking of having Kono "leave the post of foreign minister and become a deputy prime minister without portfolio to concentrate on managing party affairs," in order to consolidate his power base inside the party.

However, the prime minister is expected to be bogged down by major policy issues, such as deregulation, handling the bill to promote decentralization of power to the localities, and compiling a substantial supplementary FY95 budget incorporating full-scale earthquake rehabilitation measures, even after passing the FY95 budget. There is also strong concern that "irresponsible reshuffling of cabinet members may obstruct policymaking" (according to an SDPJ source).

If a cabinet reshuffle becomes imminent, rivalries between powerful officials of the government and the ruling parties are expected to reemerge. Amid rumors of a possibility that the prime minister may resign at an early period to assume political responsibility for the great Hanshin earthquake both in the ruling and opposition parties, certain quarters are even doubtful of the prime minister's leadership ability to undertake a reshuffle. A senior LDP official claims: "As it is, the present administration does not even have the capability to conduct a reshuffle."

'Disarray' Within SDPJ Rebel Group Noted

OW1802044695 Tokyo TOKYO SHIMBUN in Japanese 16 Feb 95 Morning Edition p 2

[Article by correspondent Uichiro Oshima: "Discord Within Group Over Strategy"]

[FBIS Translated Text] Now that Sadao Yamahana, president of the New Democratic League, and 24 other lawmakers affiliated with the ruling Social Democratic Party of Japan [SDPJ] have decided to withdraw their application to secede from the SDPJ, the fuss over a split of the SDPJ which has continued since late last year, when the group was formed, is now subsiding. Differences have surfaced within the Yamahana group over how to form a new party. If the differences are left unresolved, the blueprint for a "Yamahana new party" will be scuttled. Yamahana, however, is stressing that the "withdrawal of the application to secede from the SDPJ does not mean a setback in our plan to form a new party," and the intraparty confrontation, which has the potential to split the SDPJ and to place the Murayama government in a "crisis," still remains unresolved.

In the past, in commenting on the application to secede from the SDPJ, Yamahana said, "Our application is an indication of our resolve to the SDPJ leadership that we will found a new party." He then took a cautious stand on dropping the application.

One month after the Yamahana group filed the aforementioned application with the SDPJ, as some Yamahana group members elected in Hyogo Prefecture carried out activities to rebuild quake-hit areas while retaining their status as SDPJ-affiliated lawmakers, the contradiction emerged between their status and their application to secede from the SDPJ.

Under these circumstance, the pro-prime minister group, many members of which are cautious about forming a new party, has increasingly pressed members of the Yamahana group to drop their application, and

Secretary General Kubo has leaned toward nudging them to withdraw their application after concluding that it is necessary to hold the SDPJ together to push for the reconstruction of quake-hit areas.

The reconstruction of quake-hit areas has blunted moves by the All-Japan Telecommunications Labor Union and the Japan Postal Workers Union to back the Yamahana group in forming a new party. Yamahana has decided to go along with Kubo's advice to drop the application to secede from the SDPJ after concluding that the only way for his group to go is to create a new party in one fell swoop—without going through the step of forming a separate floor group—once the unified local elections are over.

Yamahana plans to campaign for independent candidates in the unified local elections and to persuade SDPJ-affiliated lawmakers who support forming a new party but who are cautious about creating the new party prior to the unified local elections to join his group.

Discord is erupting within the Yamahana group over the withdrawal of the application to secede from the SDPJ. At a meeting of the Yamahana group on the morning of 15 February, Yamahana's proposal to "withdraw" the application was ultimately approved, but one attendee after another expressed caution about withdrawing the application, saying: "It will give the people the impression that our campaign for a new party has been set back. It is necessary to discern the circumstances inside and outside our party before deciding to drop the application."

At the meeting, an agreement was reached that the new party will be formed some time between the unified local elections scheduled for April and the upper house election scheduled for this summer. But attendees were divided over when to form the new party and over the process of forming it, thus making them unable to reach a consensus.

Kubo and Prime Minister Murayama have agreed to establish a "preparatory council for a new party within the SDPJ." Some attendees at the meeting argued, "The Yamahana group should join the majority of the SDPJ."

With no prospect being seen for forming the new party, the Yamahana group is falling into disarray. Yamahana has continued to postpone forming the new party, saying, "We will form the new party before the ordinary Diet session is convened, and then we will form it in February." Some Yamahana group members are voicing apprehension about Yamahana's leadership. Naturally, Yamahana and his group, being mindful of the situations of the constituencies and labor unions that support them, want to use these groups' opposition to the SDPJ's cooperating in a coalition with the Liberal Democratic Party as a prime mover in the campaign to launch a new party. As such, there is a possibility that if the SDPJ suffers a crushing defeat in the unified local elections, he will make more vigorous moves to form a new party that could lead to the "collapse of the Murayama cabinet."

LDP To Back Ishihara in Tokyo Governor Race

OW2002152295 Tokyo KYODO in English 1447 GMT 20 Feb 95

[FBIS Transcribed Text] Tokyo, Feb. 20 KYODO—The Liberal Democratic Party (LDP) has decided to suport deputy government spokesman Nobuo Ishihara in the April Tokyo gubernatorial election even if some of the partners of the six-party ruling coalition in the Tokyo Metropolitan Assembly do not close ranks, party officials said Monday [20 February].

The LDP counts on support by the Social Democratic Party (SDP) [SDPJ—Social Democratic Party of Japan] and New Party Sakigake in rallying behind Ishihara, the officials said.

One of three key coalition partners, Shinshinto (New Frontier Party), remains objected to the choice of Ishihara as a coalition candidate.

In a meeting of the six parties Tuesday, the LDP will announce its decision and urge the third key partner, the Buddhism-based Komei Party, to support Ishihara, deputy chief cabinet secretary.

Ishihara has accepted the LDP's decision and is willing to run for the election, LDP sources said.

The LDP's move has been prompted by concern about possible disarray within the party if the issue drags further on, the sources said.

Komei will support Ishihara if an agreement is reached in the LDP, Komei sources said.

The coalition, which comprises all assembly groups except the Japanese Communist Party, had agreed earlier to select a candidate by consensus.

Article Views Coalition's Weakening Unity

OW1702150395 Tokyo ASAHI SHIMBUN in Japanese 15 Feb 95 Morning Edition p 2

[Second and final in series: "Murayama Administration's Failure in Reforming Special Public Corporations"; this installment: "Silence of the Prime Minister— Expecting Ruling Parties' Unity"]

[FBIS Translated Text] Nowadays, close associates to Prime Minister Tomiichi Murayama often see him venting his feelings of isolation.

"No one stays at the prime minister's office after I go to bed," Murayama muttered when the office's information collection capability was questioned following the great Hanshin earthquake.

Murayama's "Intentions" Rejected

On the night of 10 February, the prime minister's office was crowded with reporters awaiting the outcome of the ruling parties' meeting on streamlining special public corporations. But Murayama left the meeting to cabinet members and top ruling party leaders and stayed by himself in his official residence.

In reply to Chief Cabinet Secretary Kozo Igarashi's constant calls to Murayama to keep him informed about what was going on at the meeting, Murayama said: "We have to have something that appeals to the people. How about government-affiliated financial organizations?" Thus, he was nervous about the meeting's fate and was hoping for a chance to join it.

However, his chance did not come, and a decision on consolidating government-funded financial organizations was postponed. Before 03:00 AM on 11 February, Murayama returned to his office to hold a meeting with the ruling parties' top leaders. Murayama, after a long moment, broke the silence when a draft agreement reached between the ruling parties' secretary generals was presented.

Murayama said: Although the draft agreement states that further discussions among the ruling parties will be held to draw a conclusion by the end of the current Diet session, do you not think it would be better to say that the government will carry out its task?

Yohei Kono, deputy prime minister and foreign minister, said: The ruling parties' discussions have come this far. I think we have no choice but to accept the agreement.

In this way, at the final stage, Murayama's intentions were rejected all too soon. Despite the fact that administrative reform is the Murayama cabinet's "most important task," Murayama and the Social Democratic Party of Japan [SDPJ] failed to exert their influence, and all they could do was watch the situation wherein the ruling parties failed to reach a conclusion and postponed making a decision.

Soul-Searching View Within the LDP

On 14 February, during a SDPJ Diet members meeting, Tsutomu Yamamoto, chairman of the SDPJ project team on administrative reform, said: "This time, to avoid causing a triangular struggle among the SDPJ, Liberal Democratic Party [LDP] and Sakigake [Harbinger], we refrained from taking an aggressive position. But I regret that we could not help the prime minister exercise his leadership." In this way, he briefed on the process taken during the ruling parties' discussions, regretting the party's failure in having a presence.

Only a year ago, in February, the Hosokawa Government, which was once seen as being a "long-lived government," had its power weakened in wake of the withdrawal of its idea of introducing national welfare taxes, and failed to reshuffle the cabinet in March. In April, the cabinet members finally resigned en masse. What mortally wounded the cabinet was the lack of unity among the ruling parties.

In such a process, the person who, together with the SDPJ, acted as a rivalry to (then) Prime Minister Morihiro Hosokawa and (then) Shinseito [Clean Government Party] Secretary General Ichiro Ozawa, was current Finance Minister Masayoshi Takemura, who served as chief cabinet secretary under the Hosokawa Government.

Mr. Takemura is also playing a leading role in the current political drama in which the three ruling parties are opposing each other. Murayama, who probably recognizes this coincidence and fears an overlap of the Hosokawa Government's collapse with the fate of his own government, is reportedly nervous about how the LDP, the largest party in the coalition, sees his cabinet, and is eager to see the atmosphere within the LDP.

On the other hand, the LDP is now soul-searching over its push for integrating the government-affiliated financial institutions according to its own plans, despite the fact that such a push would force the Murayama government into a corner. Such a soul-searching attitude was reflected during a 14 February cabinet meeting in which LDP cabinet members successively expressed their views that it is necessary to advance the target date for working out a plan for the financial organizations' consolidation from the previously agreed "by the end of the current Diet session" to "by the end of this fiscal year."

It Is Better To Wait for Cabinet's Self-Destruction

It can be said that for his part, the only thing Murayama can do now is to hope the three ruling parties compromise with each other in the end, while keeping their unity for the purpose of "maintaining power."

Originally, the LDP, SDPJ, and Sakigake formed the coalition under the keyword "anti-Ozawa." However, the New Frontier Party [NFP] suffers from an unexpected low support rate and faces difficulties in mapping out a strategy to win power, and Mr. Ozawa's influence has become weaker than before. Ironically, this fact is weakening the ruling parties' unity.

Asked about the discord that has surfaced among the ruling parties over the special public corporations issue, a senior NFP leader said: "The ruling parties keep their unity because the prime minister lacks leadership. This is the current coalition's strength. But we have come to find that the government becomes fragile when it comes to grips with something. We think we should wait for the government's self-destruction rather than attacking it, which might tighten the ruling parties' unity."

An impression that the ruling coalition is facing a serious situation is gradually prevailing in both the ruling parties and the opposition camp.

* Outlook for New Frontier Party Uncertain

952B0098A Tokyo SEIKAI SHUNJU in Japanese Jan/Feb 95 pp 44-47

[Article by Takashi Ino: "Ominous Clouds Cover New Frontier Party's Future"]

[FBIS Translated Text] **Diet Members Group Born of Combined Numbers**

It is an unusual political party that does not have any new party energy at all. The New Frontier Party [Shinshinto] is such a case. I can think of several reasons for this, but everybody agrees with the point that "it lacks freshness." There is no progress befitting the phrase "reform" anywhere in its personnel, policy, or organization, and the expression is just a rehashing of the old. As for the party organization, it is a non-modern type without mass participation. Will such a party make great strides?

Formation Process Discourages New Party Boom—Feeling in Nagata-cho

The formation of a new party usually generates enthusiasm, even if it is made by the mass media. This was the case with the Democratic Socialist Party [DSP], and many people welcomed the delightful launching of the Shinjiyu [New Liberal] Club. Even though it was a solitary rebellion, Eda's new party, that is, the Socialist Citizens Federation [Shakai Shimin Rengo], was expected to grow. There recently was the Japan New Party. Of course, the New Frontier Party differs from those parties in the conditions of its birth.

However, the so-called temporary "bullish" great expectations were also a hollow lie. It can be said that the Diet activity of the new-new party was anticipated by "Kaikaku," the group in the lower house, and the charm of the unknown decreased. Even discounting this, we still cannot explain the people's coolness. Certainly, the fact that it is difficult to see a confrontational axis with the ruling coalition of the Liberal Democratic Party [LDP], the Social Democratic Party of Japan [SDPJ], and Sakigake [Harbinger] is also causing this. However, forming a party led by Shinseito [Japan Renewal Party], especially Mr. Ichiro Ozawa's method, has already been tested, and there were more than a few Diet members in the party who feared for the future. It is unreasonable to blame as "deserters under enemy fire" those members who left the party before the founding convention.

It is because of its top personnel that the New Frontier Party does not give an impression of freshness or progress. When familiar actors receive applause, it is because of the performance which attracts audiences. But all the strong candidates mentioned by rumor were Diet members without skill. In other words, as the face of a big political party, they are a little light. The candidate for secretary general whom the majority supported was a person about whom dark suspicions have not been extinguished. Even looking at the personnel selection, it has not departed from the feeling and consciousness of Nagata-cho.

It is said that the reason that they said Mr. Ichiro Ozawa is a suitable secretary general is that he demonstrates outstanding ability in fund-raising and in the election measures.

Mr. Ozawa, who has a pipeline to the economic world, may be suitable for fund-raising. However, you do not need to look at the results of the general election to see that the structure of adhesion among politics, bureaucracy, and finance invited the people's distrust of politics, and that this caused the big chorus of "political reform" in the political world. Considering Mr. Ozawa suitable is an idea that goes against reform.

Even though he shows his power in the election measures, his is a method of forcibly succeeding in raising funds which can be used like water and getting enterprises' cooperation through such things as using the bureaucracy.

All these do not suit the ideology of "freedom" and "justice" which are held in the platform. We have not heard that the powers in Shinseito who opposed the idea of "Chairman Ozawa" did so because they wanted the appeal of the cleanliness of the New Frontier Party.

Non-"Participatory Type Party" Making Light of Members—Old Attitude Depending on Political Grants and Enterprise Contributions

In the platform of the New Frontier Party, "formation of a participatory type party" is held up as a target of the organization. Decorating the new party with words and acting as though it is indeed a modern political party is the same as fraud.

For those people who used to be members of the LDP, including Shinseito, a political party organization is a group that an individual Diet member can privately "own." The New Frontier Party is completely different from the West European type which is supposed to be a model for the party; it is the same as the LDP.

A political organization is an organization of the same mind which tries to realize a political ideal. Accordingly, accepting financial help from people who have different political opinions was considered to be an act of selling the party. Because of this, it was considered natural to bear a certain amount themselves and then to seek help from the people who understood them and agreed with them. Because of this history, political parties in Western Europe have been a model.

However, during the New Frontier Party's preparatory stage, an annual party membership fee of 1,000 yen was discussed. This is less than the amount for one month for the DSP. Members are obligated to pay membership for local offices, prefectural headquarters, and the party headquarters, and have a voice in the prefectural headquarters and the party headquarters. Even if it is by a proxy representative system, the freedom and the right to voice opinions on policies and activity plans are guaranteed. It is against the principle of the organization that Diet members who were chosen under different election conditions deliberate and decide on the problems that restrict party members who form the party. The right of a lower-level party member to be a candidate for party leader and the right to choose this are secured by the organizational democracy.

For example, if 800 yen of the 1,000 yen party membership fee is left for the local office, this is only a little more than 60 yen per month. This is not enough even for the stamps for the monthly "organization report" (to inform of decisions by the administrative organization).

For people who came from the LDP, the organization system, which members complain about, is not good. They want party members as well as the supporting groups to earnestly run about to collect votes. For this reason, since they cannot go so far as to force members to pay the party membership fee, the idea of 1,000 yen was thought of as an amount which they could pay in advance for them.

It was a committee member elected by the DSP who opposed this idea. He questioned what kind of political activity they can carry out with 60 yen per month. As a result of this, I heard, it was changed to 2,000 yen per year. However, even if 1,800 yen is left for the branch office, this means 150 yen per month. After sending meeting information and conference reports, depending on the contents, it will be in the red.

This shows the conservative nature of the New Frontier Party, which from the beginning has been dependent on political grants and enterprise contributions. The intention to rob Peter to pay Paul is far from a democratic political organization and it can even be called an anachronism. "Participatory type" is nothing but a lie.

Not Settled, Expecting Another Realignment—Measures To Divide Party Taken To Protect Daisaku Ikeda

The party magazines and papers of today's political parties have the characteristics of advertising and publicity. However, they are substantially the arteries of the organizations. The political party which finally decided to issue such an important medium once a month is taking the party members and the party organization lightly and it cannot be called a modern political party, but is merely a group of Diet members.

Accepting the opinion of the committee member from the DSP, it is said they decided to collect the party magazine and paper subscription fees in addition to the party membership fee, but I wonder if it will be practiced. One of the persons concerned said on this matter, "Since another realignment is expected after the general election, they are not enthusiastic about forming a permanent party." Mr. Ozawa also said, "there will be another realignment of the political world."

We can surmise from the mass media the tendency that the people are not expecting much from the New Frontier Party. I think they have a cold attitude, thinking this party probably will not last long. No one could feel enthusiasm from the attitude of both Komeito and the DSP towards forming the new-new party.

Komeito's "two-stage system" means dividing the party into central and local parties and I do not think they are planning to unite in the near future. I think this was thought of as a policy to maintain the organization because of the uncertainty of the New Frontier Party's future.

It will not be too late for "Komei" (local Diet members, etc.) to join the New Frontier Party after thoroughly observing if the New Frontier Party makes rapid progress in political battles such as unified local elections, upper house elections, and the general election.

For example, if they judge that it does not have a future, or if the situation becomes such that the party's fluidity becomes more accelerated, the "Komei" will change.

As former Komeito Chairman Yano speculated, we cannot lose the "Komei" also as "a receptacle to save injured former comrades" who have participated in the New Frontier Party. In other words, he is saying that they will need it as a "returning place" for the former Diet members who lose in the national elections.

This will mean a parting from the New Frontier Party.

For the Soka Gakkai, Daisaku Ikeda is a man with charisma. He is an existence which no one can be allowed to criticize or slander. Protecting Ikeda means observing Buddhism. It will be unbearable if the entire original Komeito participates in the New Frontier Party and becomes a target of the coalition (the LDP, the SDPJ, and Sakigake). It is a clever measure to preserve Komeito, since activities such as making them "owe" by supporting the LDP faction leaders in the local governments and protecting Soka Gakkai member households on welfare are necessary.

It is unavoidable for the New Frontier Party to confront the "Komei" in the provinces.

Unable To Expect Votes They Were Counting on, DSP Participates While Preparing a Shelter

The reason the New Frontier Party opposes early dissolution is because the preparation time is too short. However, the reason why it is said that they will have a difficult campaign even if it is postponed is that their rate of support is low and they cannot count on organized votes, and this is an organizational strategy failure.

For example, their fundamental stand on the Constitution, which left important policies vague when they hurried too quickly to form the party, and their image for the nation which they aimed for. Furthermore, things such as their policy concerning the nation's security are unclear. No wonder the people do not support them.

Soka Gakkai will have a freehand in deciding which candidates to support in the small electoral districts and is planning to support the New Frontier Party only in the proportional representation districts. Soka Gakkai has "insured" both the government parties and the opposition parties.

The other organized votes that the New Frontier Party is aiming for are from the labor unions, especially from the individual unions in the old Domei [Japanese Confederation of Labor] under the Rengo [Japanese Trade Union Confederation] umbrella. However, there is a miscalculation. That is the formation of a new party centering on the SDPJ.

The SDJP is proceeding with forming a "democratic liberal new party", whose organization was decided in the form of including the "New Democratic League" [Shinminren], a new breakaway party being formed by its right and the middle-right factions. While expecting that the SDJP would be divided, the local industrial unions of Rengo that support the "New Democratic League" fell into the situation in which it is hard to resist the entire SDJP becoming a "new party."

There are interested parties who say, "Rengo being divided into three can be avoided for the time being." The situation of dividing into three factions, supporting the coalition, supporting the New Democratic League, and supporting the New Frontier Party also may cause a "crack" in Rengo, but it is best if uncertain factors are kept to a minimum. If the local industrial unions that support the former SDJP get together as one and support the democratic liberal new party, in the final stage they will confront the individual unions of the old Domei. Because of this, the old "SDPJ-DSP" joint struggle will be revived in some districts.

There are two people from the former DSP who will participate in the new party with the SDJP as its main axis. However, since there is a possibility of increasing the number depending upon the movement of the local industrial unions supporting the new party, probably not all the candidates from the New Frontier Party will be defeated by the individual unions of the old Domei.

The problem is the DSP. There are a fair number of local Diet members and party members who are not participating in the New Frontier Party. It is the "Democratic Socialist Society" [Minsha Kyokai] that such party members rely on. There are areas in which the former branch offices and the prefectural unions shift as they are and it is the central Democratic Socialist Society which consolidates them. That is the headquarters. Since Diet members also are planning to have their legal residence as the Democratic Socialist Society, and their present address as the New Frontier Party, the New Frontier Party will be in temporary housing.

I cannot believe that the New Frontier Party will become a full-fledged political party, nor can I see that it has a future.

NFP To Raise Campaign Funds Through Parties

OW2102130095 Tokyo NIHON KEIZAI SHIMBUN in Japanese 20 Feb 95 Morning Edition p 2

[FBIS Translated Text] The New Frontier Party [NFP] has started a drive to raise campaign funds through parties organized by the party headquarters.

The NFP plans to hold parties in eight cities nationwide, starting with Sapporo in late May, to be followed by Tokyo, Nagoya, Osaka, Fukuoka and others.

The NFP, which has upheld the slogan of "money-free politics," is now on the brink of bankruptcy, with local elections coming in April, followed by upper house elections in the summer, and general elections in the near future. It is now forced to defy its previous position. As the saying goes: "Necessity knows no law" (according to a senior NFP official).

In an attempt to increase party membership, the NFP keeps its annual membership fee at 1,000 yen per person. Membership fee income is barely enough to pay for clerical expenses. It has planned to borrow from banks to tide over the present financial difficulties with the intention of repaying after the party receives its political fund subsidies from the government in July. However, unlike the Liberal Democratic Party [LDP] and the Social Democratic Party of Japan, which own the office buildings housing their party headquarters that can be used as collateral, banks are reluctant to lend money to the NFP. Therefore, the NFP has to resort to using parties to be held immediately before the upper house elections, which will have the double purpose of selling the candidates and raising funds.

However, many NFP members have consistently criticized the massive purchase of party tickets by big business, such as general contractors. The NFP leadership has launched a campaign to refute criticisms, claiming, "we will not raise funds in the LDP style" (according to Satsuki Eda, chairman of the Public Relations and Planning Committee). The party's Organization Committee will compile a rules manual on how to hold the parties, including details on such things as sponsors, party title, and fees, to be distributed to each lower house constituency.

Ruling Party Heads To Cooperate in Elections

OW1802144795 Tokyo NIHON KEIZAI SHIMBUN in Japanese 18 Feb 95 Morning Edition p 2

[FBIS Translated Text] The heads of the three ruling parties—Prime Minister Tomiichi Murayama (chairman of the Social Democratic Party of Japan), Deputy Prime Minister and Foreign Minister Yohei Kono (president of the Liberal Democratic Party), and Finance Minister

Masayoshi Takemura (representative of Sakigake [Harbinger])—discussed measures to cooperate in unified local elections at the prime minister's official residence on the night of 17 February. Being mindful of their failure to cooperate in the recent Mie gubernatorial election, they confirmed a plan for their parties to team up in the forthcoming unified local elections. They agreed to have their secretaries general discuss in detail ways to cooperate.

April Gubernatorial Elections Previewed

OW2102075995 Tokyo KYODO in English 0743 GMT 21 Feb 95

[FBIS Transcribed Text] Tokyo, Feb. 20 [as received] KYODO—Battles between candidates supported by the ruling Liberal Democratic Party (LDP) and the opposition Shinshinto (New Frontier Party) are expected in four of the 13 gubernatorial polls in April, the curtain raiser for nationwide local elections, party officials said Tuesday [21 February].

For the key Tokyo and Osaka gubernatorial elections, however, negotiations among parties for joint campaigns are deadlocked.

The spring local elections, the first nationwide poll since the House of Representatives election in the summer of 1993, will start with the March 23 registration of candidates for the 13 elections for governor.

The ballot results are regarded as a litmus test for the upcoming House of Councillors elections in July and also for Prime Minister Tomiichi Murayama's survival.

About 35 people have already proclaimed their candidacy for the gubernatorial elections, with some of them supported by most of the parties and expected to face no serious challenges.

In Tokyo, however, talks among six parties to field a joint candidate are at stalemate.

The LDP and the Social Democratic Party (SDP) [Social Democratic Party of Japan—SDPJ] are backing Deputy Chief Cabinet Secretary Nobuo Ishihara, while Shinshinto is pushing for former Labor Minister Kunio Hatoyama.

In the latest meeting of the six parties held Tuesday, they failed to agree on a choice.

Komei and other parties call for continuing the talks, although Komei is showing willingness to support Ishihara if the LDP backs the deputy government spokesman.

In Osaka, the parties have dropped their support for incumbent Gov. Kazuo Nakagawa after a political fund scandal involving his close financial aides, and have yet to find any new candidate. Nakagawa has decided not to run in the race, his aides said Tuesday.

In gubernatorial elections in Hokkaido, Iwate, Akita and Mie, the LDP-supported candidates are expected to face strong challenges by candidates backed by Shinshinto and other parties.

In the recent Aomori gubernatorial poll, the Shinshinto-supported candidate beat the incumbent supported by the LDP.

Gubernatorial elections will also be held in Kanagawa, Fukui, Tottori, Shimane, Fukuoka, Saga and Oita.

Mayoral elections in large cities and elections for assemblies in 44 prefectures will also be held on April 9, the same date as the gubernatorial elections.

Mayoral elections in smaller cities and polls for city, town and village councils will be held on April 23.

A total of some 2,500 ballots were scheduled in April, but the elections for the Hyogo prefectural assembly and Kobe city council are expected to be postponed due to the severe damage caused by the Jan. 17 earthquake.

For the electorates, the series of elections will provide the first major opportunity to express their views on political developments, including the coalition government of the LDP, the SDP and New Party Sakigake, the drastic changes in SDP policies and the creation of the new opposition party Shinshinto.

Amount of 1995 Fixed Campaign Funds Announced

OW2002083295 Tokyo KYODO in English 0805 GMT 20 Feb 95

[FBIS Transcribed Text] Tokyo, Feb. 20 KYODO—The amount of public campaign funds to be given to political parties for fiscal 1995 in line with political reform laws has been set following an announcement of necessary data by the Home Affairs Ministry, ministry officials said Monday [20 February].

Ten political parties, which have more than five members each, filed their applications on Jan. 17 for government subsidies to be used as campaign funds.

The ministry announced in its official gazette to be issued Tuesday how many members each party had as of Jan. 1 and how many votes each received in the latest national election.

The size of the public campaign funds awarded by the government depends on the number of party members in the Diet as well as their share of votes in recent elections.

Based on KYODO NEWS SERVICE estimates, the Liberal Democratic Party (LDP), which makes up the bulk of the current ruling coalition government headed by Prime Minister Tomiichi Murayama, will receive 13.1 billion yen this year, the highest amount among all the parties.

Shinshinto (New Frontier Party), a major opposition party inaugurated last December, will be granted the second highest amount with 8.6 billion yen, followed by Murayama's Social Democratic Party (SDP)[Social Democratic Party of Japan—SDPJ] with 6.7 billion yen.

New Party Sakigake [Harbinger], the remaining partner of the tripartite coalition government, will receive 700 million yen.

The Japanese Communist Party, which opposes the funding system, did not file an application.

The top three parties—the LDP, Shinshinto and the SDP—are expected to receive about 90 percent of the total campaign funds.

The 10 parties will receive half of their annual allocations on July 20 and will get the remainder in October and December, the officials said.

But the remainder is likely to be changed according to the results of the election in the House of Councillors or the upper house in July.

The political reform laws, including the new electoral system combining single-seat districts and proportional representation for the House of Representatives, are designed to combat political corruption.

North Korea

Kim Yong-sam's Remarks on N-S Dialogue Viewed

SK1802103195 Pyongyang KCNA in English 1005 GMT 18 Feb 95

["Papers on Kim Yong-sam's Act for Division and Confrontation"—KCNA headline]

[FBIS Transcribed Text] Pyongyang, February 18 (KCNA)—Papers here today comment on what the traitor Kim Yong-sam recently told bosses of the "Advisory Council for Democracy, Peace and Unification" about inter-Korean dialogue and reunification.

An analyst of NODONG SINMUN says:

Kim Yong-sam spun out a string of trash about "globalisation," the reunification question and the North-proposed grand national conference. But his burlesque was so poor that he only brought into bolder relief his true color as a separatist and a confrontation seeker.

He waxed eloquent about "globalisation". But it is contradictory to hold forth about it while blocking all dialogues and contacts between the North and the South after building physical, institutional and legal barriers to the reunification of the country.

He made unreasonable remarks, connecting "globalisation" with reunification in a far-fetched way. Lurking behind this was a sinister intention to make a scapegoat out of reunification vital to the destiny of the nation under the cloak of "globalisation" and hurt the fellow countrymen in the North and "unify the country by invading the North" in collusion with imperialist reactionary forces.

Kim Yong-sam alleged that the North intends to [words indistinct] the inside" of South Korea by insisting [words indistinct] on a grand national conference "when various channels of North-South dialogue are open." This is a shameless distortion of the reality.

It is Kim Yong-sam, the traitor, who drove the North-South relations to the worst phase after he took office and blocked and froze all the North-South dialogue which had been under way even in the days of the "Sixth Republic." If he had wanted the diversification of the channels of North-South dialogue, he should not have objected to the North-proposed grand reunification festival and the grand national conference on the 50th anniversary of the liberation of the country, which would provide opportunities of contacts and dialogues.

He described the North-proposed convocation of a grand national conference as something to "disturb the inside of South Korea." This is an open provocation and challenge to the North and shows that they have no will for national unity and reunification.

He also cried that "no room for pro-North forces" should be left in Americas. This revealed his anti-national, anti-reunification intention to exhort the anti-reunification activities for confrontation and division in South Korea to the community on overseas Koreans. This can never be tolerated.

A MINJU CHOSON analysis brands Kim Yong-sam's attempt to dissolve the reunification question in the liquid of "globalisation" of unknown nationality as an unpardonable crime.

Kim Yong-sam Blamed for North-South 'Rupture'

SK2102050595 Pyongyang KCNA in English 0455 GMT 21 Feb 95

["Kim Yong-sam To Blame for Deterioration of Inter-Korean Relations"—KCNA headline]

[FBIS Transcribed Text] Pyongyang, February 21 (KCNA)—NODONG SINMUN today calls for settling scores for the crimes of the traitor Kim Yong-sam, who has driven the inter-Korean relations to the worst phase in the past two years since he took power with the "civilian" veil.

The "theory of giving priority to the nation" and the "policy for the improvement of relations" with the North advertised by the traitor when he came to power have been replaced with the "theory of giving priority to outside forces" and the "policy of antagonizing fellow countrymen" and the "policy of driving inter-Korean relations from bad to worse," the analyst of the daily says, and continues:

The traitor has totally banned and frozen North-South dialogues arranged by the North's sincere efforts.

His group has brought all the North-South dialogues to a rupture, claiming that "the DPRK-U.S. talks must not be advanced without progress in the North-South relations."

While abusing the misfortune of the fellow countrymen in the North for the security of their power and North-South confrontation, the Kim Yong-sam group has fully revealed their sinister intention to totally reject dialogue and reunification and find a way out in further intensifying confrontation with the North and belligerent moves.

They have steadily increased tension in the country, while scheming to restart the Team Spirit joint military exercises with outside forces.

Worse still, they are persistently trying to slay the fellow countrymen in the North with the help of outside forces, crying for "sanctions" and "tough counteraction" under the pretext of the nuclear issue.

With Kim Yong-sam, a traitor, flunkeyist and anti-reunification element without an equal, left alone, neither peace nor reunification can be expected in Korea and the nation will suffer from a greater disaster.

The Kim Yong-sam traitorous clique, which have driven North-South relations to the worst phase and laid more obstacles in the way of national reunification, will have to pay dearly for their crimes against history and the nation.

U.S, ROK 14-18 Feb Military Activity Reported

*SK2102044595 Pyongyang KCNA in English
0439 GMT 21 Feb 95*

["Continued Military Exercises and Provocations Against North"—KCNA headline]

[FBIS Transcribed Text] Pyongyang, February 21 (KCNA)—The bellicose U.S. imperialists and the South Korean puppets staged military exercises in the skies above Oeyon Islet, Wonju and Chunchon, South Korea, on Feb. 17 and 18 to increase the capacity of joint preemptive air strikes on the northern half of Korea, military sources said.

The exercises involved some 20 overseas-based marine aircraft and about 720 planes belonging to the U.S. Seventh Air Force and the puppet air force.

Some 1,000 puppet troops of South Korea armed with heavy and automatic weapons went off into war hysterics, firing hundreds of bullets in the forefront area over Feb. 14 and 15. About 20 helicopter gunboats of the puppet army held an exercise of an air strike on targets of the North, making flights from the in-depth area up to the western and central sectors of the front on Feb. 17 and 18.

On Feb. 17, the South Korean puppets brought some ten bandits in the demilitarized zone in the central sector of the front, who fired guns and started fire premeditatedly to burn a vast expanse of forest in the northern area.

More than 1,000 bandits perpetrated provocations against the North in the demilitarized zone on Feb. 16, 17 and 18.

The continued military exercises and provocations of the bellicose U.S. imperialists and the South Korean puppets against the North in the demilitarized zone were aimed at driving the situation on the Korean peninsula to a phase of confrontation and war.

They must look straight at the trend of the times and act with discretion.

U.S. Remarks on Framework Agreement Decried

*SK1802041295 Pyongyang KCNA in English
0405 GMT 18 Feb 95*

["Destiny of Agreement Depends on the U.S."—KCNA headline]

[FBIS Transcribed Text] Pyongyang, February 17 (KCNA)—U.S. State Secretary Warren Christopher recently told a press conference that "North Korea promised to reopen North-South dialogue in a paragraph of the framework agreement" and "if North Korea is not willing to implement the paragraph, the United States will not advance towards progress in the implementation of the agreement."

Commenting on this, NODONG SINMUN today says his remarks indicate that the United States is obviously trying to create complexity by making another artificial condition in the implementation of the agreement.

The news analyst says:

Though four months have passed since the adoption of the DPRK- U.S. framework agreement, no progress has been made in the provision of light water reactors [LWR], the keypoint of the agreement. This is because the U.S. has brought forward what we can never accept.

There is no doubt that if the issue of the type of LWRs is resolved, other matters will be solved smoothly.

The U.S. is attempting to evade its responsibility for the obstacles it has laid to the implementation of the agreement by forcing unjustifiable preconditions on the DPRK and to improve the image of the South Korean puppets.

To link North-South dialogue with the destiny of the agreement is very unreasonable in view of the contents of the agreement and the acts of the South Korean puppets.

As is clarified in the third paragraph of Article 3 of the agreement, the implementation of the agreement shall be given priority and with a climate being created by it, North-South dialogue be held.

If mutual verification comes to an end through the implementation of the agreement, trust can be built between the DPRK and the U.S. then, the South Korean rulers under the control of the U.S. cannot but follow the U.S. in relationship of trust with the DPRK and a climate of dialogue will be provided. It is the South Korean puppets who are balking at the North-South dialogue now.

If the South Korean puppets truly want to have dialogue with the North, they must feel responsible for their hurting the fellow countrymen in grief and apologize for it.

If the U.S. values the DPRK-U.S. framework agreement and implements it, we will welcome it. And if it refuses to do so, we will do the same.

As we declared more than once, it is our firm position that if the U.S. does a thing, we will do a thing and if the U.S. does two things, we will do the same. We have never made an empty talk. We mean what we say.

If the U.S. kills the agreement and takes another choice, we will take our own choice.

U.S. Business Delegation Arrives 19 Feb

SK2002102795 Pyongyang KCNA in English 1022 GMT 20 Feb 95

[FBIS Transcribed Text] Pyongyang, February 20 (KCNA)—A delegation of U.S. businessmen headed by Lawrence Mozialie Codacovi [name as received], vice-director of the U.S. M.C.I. Corporation, arrived here on Sunday.

PRC Magazine on DPRK's Submarine Strength

OW1802114195 Tokyo KYODO in English 1056 GMT 18 Feb 95

[FBIS Transcribed Text] Beijing, Feb. 18 KYODO—The North Korean military has equipped itself with 48 minisubmarines capable of defending the nation's coastline and engaging in covert operations, according to a Chinese military publication.

North Korea's Navy, which includes as many as 24 Soviet-built submarines and 30 armed missile cruisers, also equipped itself as early as 1974 with the miniature submarines, the February edition of the military magazine CONMILIT [name as received] said.

The 25-ton submarines are manned by a crew of seven, are 20 meters long, 2 meters wide and have two torpedo tubes, the article said.

South Korean military sources said the submarines could be used to transport undercover agents to other countries as well as disturb South Korean shipping lanes.

Former Comfort Woman on 'Atrocities' of Japanese

SK2102012495 Pyongyang KCNA in English 2213 GMT 20 Feb 95

[FBIS Transcribed Text] Pyongyang, February 20 (KCNA)—Chong Ok-sun, a former "comfort woman for the army," residing in Sayon-ri, Kangnyong County, South Hwanghae Province, in the western part of Korea, exposed the maltreatment and murder of "comfort women for the army" by the Japanese imperialists.

NODONG SINMUN Sunday carried her article titled "I Expose Shocking Atrocities".

She, drafted as a "comfort woman for the army" at the age of 14, exposes the crimes of the Japanese garrisons in murdering ten girls.

One day, when a girl called Kum-san refused their demand, several Japanese fell upon her, stripped her naked. One of them took her by the hair and another by the ankle. They laid her on a board with nails sticking out and rolled her on it right and left. When she lost her consciousness, they cut off her head.

That day they killed in this way ten odd girls who did not obey their demand.

Yamamoto, a company commander, when girls wept, would order his men: "They crave for meat. Boil dead girls and let them eat their meat". They would boil murdered girls and try to force the girls to eat their flesh.

Japanese said: "Killing Korean women is easier than killing dogs. They must die, if they do not want to serve us." And they beat a number of women with clubs and shovels on the heads, threw them into a pit and buried them alive.

Chong Ok-sun recalls that when she was 17 years old, she ran away with Kuk-hae, Chun-cha, Pil-sun and several other girls only to be caught by Japanese after two days and brutally beaten.

She says:

"A Japanese ran to me and knocked me down with an iron pipe. He brought it down on my head for all he was worth. Countless scars which still remain on my head after the lapse of 50 years are the marks of the beating at that time. I lost my eye that day. One Japanese cried: "Leave marks on the Korean women who attempted to run away and make them die in sufferings." On this order, Japanese pounced upon us, stripped us naked, tied our ankles and hung us, heels up, from horizontal bars. They tattooed our upper and lower lips, tongues, breasts, bellies and all other regions of our bodies. From that day I could not speak for ten years. Still today, I have difficulty in speaking for my tattooed tongue.

The Japanese threw away all the girls in a mountain. But I and Kuk-hae were saved by an old man collecting firewood.

Asking how can the thrice-cursed atrocities of the Japanese imperialist brutes be compensated for with a few amount of "consolatory money," Chong Ok-sun says: The Japanese authorities must investigate the truth of the heinous anti-ethical crimes of the Japanese imperialists who made Korean women sex slaves and murdered most of them, and open to public the results and apologize and compensate for them.

Jordanian Party Delegation Visits Mangyongdae

SK1802123595 Pyongyang Korean Central Broadcasting Network in Korean 1300 GMT 14 Feb 95

[FBIS Translated Text] A delegation of the People's Unity Party-the Unionists of Jordan led by General Secretary Talal al-Ramahi visited Mangyongdae on 13 February.

The guests, who visited the old Mangyongdae home, carefully looked around the relics preserved with the greatest care while listening to the brilliant revolutionary history of the great leader Comrade Kim Il-song, who devoted his entire life to fighting for the fatherland and the people.

The guests posed for photographs commemorating their visit to the old Mangyongdae home and looked around the historic relics on the Mangyong Peak.

After winding up their visit to Mangyongdae, the head of the delegation said: The great leader Comrade Kim Il-song grew up to be a zealous revolutionary and fighter, having received revolutionary indoctrination from his parents from his early days. He put them into practice with lofty aims. The revolution's path pioneered and pushed through by the great leader Comrade Kim Il-song is a history that should be learned after by the world's progressive fighters. I think all the world's people and new generation should learn after the immortal ideologies and achievements that left behind to the human race by the great leader Comrade Kim Il-song. Through my visit to Mangyongdae, I came to be aware that there is nothing that cannot be achieved if we learn from his ideas and will.

The guests then visited the Chuche Ideology Tower. Listening to the explanation on the Chuche Ideology Tower which has risen as a big monumental creation of our era under the wise leadership of the great leader [yongdoja] Comrade Kim Chong-il, the guests looked around the statues and a tower.

After winding up their visit, the head of the delegation said: The Chuche Ideology Tower is the most brilliant tower that has been ideologically and artistically completed.

In addition, the guests visited various places, including the Arch of Triumph and the Three Revolutions Exhibition Center.

O Chin-u Sends Greetings to Bulgarian Minister

SK1802042595 Pyongyang KCNA in English 0413 GMT 18 Feb 95

[FBIS Transcribed Text] Pyongyang, February 18 (KCNA)—Marshal of the Korean people's army O Chin-u, minister of the People's Armed Forces, sent a message of greetings to Dimitur Nikolov Pavlov who was appointed new defence minister of the Republic of Bulgaria.

The message wished him big success in his responsible work.

Peruvian Party Head Receives DPRK Envoy

SK1702152995 Pyongyang Korean Central Broadcasting Network in Korean 1200 GMT 15 Feb 95

[FBIS Translated Text] On 10 February, (Alberto Moreno), the general secretary of the Central Committee of the Peruvian Communist Party-Red Fatherland [name of party as heard], received Kim Kyong-ho, our country's ambassador to this country.

In the meeting, the general secretary said he conveys the greetings of warm congratulations on behalf of the Peruvian Communist Party-Red Fatherland and himself to the dear leader Comrade Kim Chong-il on his 53d birthday. He then continued that the dear leader Comrade Kim Chong-il is a great master of ideology and theory and a defender of the popular masses-centered socialism. Since the dear leader Comrade Kim Chong-il stands at the forefront of the party, the state, and the revolutionary Armed Forces of Korea, the victory of the chuche socialist cause pioneered by the great leader Comrade Kim il-song is certain, he added.

Party Delegates Meet With Sri Lankan Officials

SK1702145195

[FBIS Editorial Report] Pyongyang Korean Central Broadcasting Network in Korean at 1300 GMT on 13 February carries an under-one-minute report on the meeting between Sri Lankan Prime Minister Sirimavo Bandaranaike and the DPRK Social Democratic Party delegation led by its Central Committee Chairman Kim Pyong-sik which took place in Colombo on 9 February.

Following this report, the radio carries a one-minute report saying that the DPRK Social Democratic Party delegation visited Sri Lanka from 5 to 10 February. It states that the talks were held in Colombo on 8 February between the DPRK delegation and the Sri Lankan Freedom Party delegation in Colombo. It also reports that the DPRK delegation met with the general secretary and the deputy general secretary of the Sri Lankan Freedom Party, and the general secretary of the Sri Lankan Communist Party, the head of the Sri Lankan People's Party, and other unidentified figures.

The radio then added that, on 10 February, the DPRK party delegation left Colombo after winding up its six-day visit to Sri Lanka.

Embassy in PRC Marks Kim Chong-il's Birthday

SK1902103495 Pyongyang Korean Central Broadcasting Network in Korean 0100 GMT 15 Feb 95

[FBIS Translated Text] On 13 February, a commemorative banquet marking the great leader [yongdoja] Comrade Kim Chong-il's birthday was held at our embassy in China.

Placed in front of the banquet hall were the portraits of the great leader Comrade Kim Il-song and the great leader [yongdoja] Comrade Kim Chong-il.

Invited to the banquet were Li Shuzheng, head of the International Liaison Department of the CPC Central Committee; Vice Foreign Minister Tang Jiaxuan; Li Jing, deputy chief of the General Staff of the People's Liberation Army; Li Chengren, deputy head of the International Liaison Department of the CPC Central Committee; Public Security Vice Minister Jiang Zianjin; Vice Minister of Railways Guo Lin; Vice Minister of Culture Xu Wenbo; Cui Yueli, president of the China-DPRK Friendship Association; Wang Xiaoxian, vice president of the Chinese People's Association for Friendship With Foreign Countries; and other functionaries concerned.

Chu Chang-chun, our country's ambassador to China, and Li Shuzheng, head of the International Liaison Department of the CPC Central Committee, made speeches at the banquet.

In her speech, head Li Shuzheng said 16 February is the day Comrade Kim Chong-il, the Korean people's respected and beloved leader [yongdoja] and the supreme commander of the Korean People's Army, was born. Observing this festive day, she said, she extends warm congratulations to the dear leader Comrade Kim Chong-il and the Workers' Party of Korea [WPK].

She said she is certain that the Korean people will, with the firm resolve and will, win victory after victory by overcoming facing obstacles, building their country better, achieving their fatherland's independent and peaceful reunification, and defending the peace and security on the Korean peninsula under the leadership of the WPK headed by Comrade Kim Chong-il.

She said Comrade Kim Chong-il visited China in June 1983 as his first overseas visit, had warm and sincere talks with the leading cadres of the Chinese party and government, and met with the Chinese party members and people of all level and forged the deep friendly relations with them. She added that even though the international situation changed and has been complicated for the past 10 years, the traditional relations between China and the DPRK have won the history's trials and have developed. The head said, under the new prevailing situation, the Chinese party and government will continuously work hard to invariably strengthen and develop the friendly and cooperative relations between China and the DPRK.

She said she truly wishes Comrade Kim Chong-il good health and long life and greater success in his noble work to carry out socialist construction and to achieve the fatherland's independent and peaceful reunification by leading the Korean people.

The participants of the banquet toasted for the traditional friendship and unity between the peoples of China and the DPRK; for the eternal life of the great leader Comrade Kim Il-song; for the good health and long life of the great leader [yongdoja] Comrade Kim Chong-il; and for the good health and long life of respected Jiang Zemin and Deng Xiaoping.

The banquet was held in a friendly and warm atmosphere.

Koreans in Japan Send Messages to Kim Chong-il

SK1802043195 Pyongyang KCNA in English
0412 GMT 18 Feb 95

[FBIS Transcribed Text] Pyongyang, February 18 (KCNA)—The great leader Marshal Kim Chong-il received congratulatory messages on his birthday from the Permanent Council of the Federation of Korean Traders and Industrialists in Japan, the Central Standing Committee of the League of Korean Youth in Japan, the Central Standing Committee of the Democratic Union of Korean Women in Japan, the Central Standing Committee of the Union of Korean Teachers in Japan, the Permanent Council of the Central Educational Association of Koreans in Japan, the Central Permanent Council of the Association of Korean Social Scientists in Japan, the Central Permanent Council of the Scientific and Technical Association of Koreans in Japan, the Central Standing Committee of the Union of Korean Literary Men and Artists in Japan, the Permanent Council of the Federation of Korean Credit Associations in Japan, the Permanent Council of the Korean Physical Culture and Sports Federation in Japan, the Central Standing Committee of the Korean Medical Society in Japan, the Central Standing Committee of the Union of Korean Students Studying at Japanese Schools, the Permanent Council of the Association of Korean Buddhists in Japan, the Association of Koreans in Japan for Peaceful Reunification and other organisations of the General Association of Korean Residents in Japan (Chongnyon) and affiliated organisations and the Korean news service, CHOSON SINBO, Kuwol Sobang Publishing House, the Kumgangsan Opera Troupe, the Korean Affairs Institute, the Korea-Japan Export-and-Import Corporation, the Tonghae Trading Company, Ltd. and other enterprises and local headquarters of Chongnyon, the central school of Chongnyon, Korean University and other Korean schools in Japan at all levels and Koreans from all walks of life.

The messages extend warmest congratulations to Marshal Kim Chong- il and wish him good health and a long life.

They express the resolution of compatriots to energetically conduct the work for greeting the 50th anniversaries of the foundation of the Workers' Party of Korea and the liberation of the country and the 40th anniversary of the formation of Chongnyon with a high degree of patriotic enthusiasm and brilliant achievements and the work for achieving national reunification under the banner of the 10-Point Programme of the Great Unity of the Whole Nation, deeply cherishing in their hearts the New Year's message sent by respected General Kim Chong-il.

Overseas Koreans Express 'Pride' in Kim Chong-il

SK2102103695 Pyongyang KCNA in English
1010 GMT 21 Feb 95

[FBIS Transcribed Text] Pyongyang, February 21 (KCNA)—Overseas Koreans on a visit to the socialist homeland around the birthday of the great leader Comrade Kim Chong-il, the greatest holiday of the nation and a grand common holiday of humankind, expressed their pride and honour in having him as the supreme leader of the nation.

Choe Hong-hui, president of the International Taekwon-do Federation, said:

"I feel great pride and honor, seeing the grand appearance of the homeland which demonstrated its honor and stamina of the victor in the 1950s by repelling the invasion of 16 countries and is today defending its dignity in confrontation with those countries that are said to be the strongest in the world.

"We owe all this dignity and honour to the great leader General Kim Chong-il.

"He has closely united all people across the country in one mind and purpose and built a large harmonious family, an ideal society of humanity where all people are evenly well off."

Sonu Hak-won, adviser to the U.S. headquarters of the National Alliance for the Country's Reunification (Pomminnyon) said:

"General Kim Chong-il is leading our motherland to be a strong and prosperous country with his brilliant leadership ability, matchless grit and will.

"He has also indicated the road ahead of the world by publishing famous works, including 'Socialism Is a Science'. I will trust only the great general and uphold him."

Chon Chong-nim, chairman of the Canadian regional headquarters of Pomminnyon, said General Kim Chong-il is a peerless hero and brilliant commander. "When all the Koreans in the North, the South and overseas are firmly united around him, the day of national reunification will come earlier," he added.

Choe Chong-yol, adviser to the One Korea Movement, praised respected General Kim Chong-il as a brilliant general produced by heaven, who has fully inherited the idea, leadership and noble virtues of the great leader Generalissimo Kim Il-song and is possessed of literary and military accomplishments, loyalty and filial piety.

"We overseas Koreans will uphold General Kim Chong-il, the great leader of the nation, and devote everything to the noble cause of national reunification, true to the behests of Generalissimo Kim Il-song," he declared.

Banquet 'Arranged by' Kim for Overseas Koreans

SK1702043195 Pyongyang KCNA in English
0421 GMT 17 Feb 95

[FBIS Transcribed Text] Pyongyang, February 17 (KCNA)—A banquet arranged by the great leader of our party and the people Comrade Kim Chong-il, chairman of the National Defence Commission of the Democratic People's Republic of Korea and supreme commander of the Korean People's Army, for Koreans overseas took place at the Mansudae Art Theatre Thursday [16 February].

In his speech Kim Yong-sun, chairman of the Reunification Policy Committee of the Supreme People's Assembly and secretary of the Central Committee of the Workers' Party of Korea, said respected General Kim Chong-il with a strong sense of fraternity and comradely obligation presented Koreans from abroad with gifts and arranged a grand banquet for them in his name.

He said Koreans overseas should have loyalty and filial duty to him on the highest level and become eternal companions and faithful assistants who always share in any adversity the destiny with the socialist homeland shining with the august names of President Kim Il-song and General Kim Chong-il.

"For the present, you must make strenuous efforts to put into effect the appeal of a joint meeting of the political parties and organizations calling for a joint celebration of August 15, the day of the country's liberation, by compatriots in the North, the South and overseas and the convocation of a grand national conference on the occasion for confirming the way of national reunification."

In his toast Ho Chong-man, chief vice-chairman of the Central Standing Committee of the General Association of Korean Residents in Japan (Chongnyon), said:

"The Japan-resident Koreans will always remain faithful to the idea and leadership of respected General Kim Chong-il with absolute worship for him and further strengthen Chongnyon to be his organization of overseas compatriots.

"They will closely unite with compatriots in other regions of the world and in the homeland under the banner of the 10-Point Programme for the Great Unity of the Whole Nation and surely accomplish the cause of national reunification, thus acclaiming respected General Kim Chong-il at the Square of Reunification."

Addresses were delivered at the banquet by president of the International Taekwon-do Federation Choe Hong-hui, director of the Koryo Institute of the William Carey University, the United States, Cho Tok-chon, adviser to the U.N. Headquarters of the National Alliance for the Country's Reunification (Pomminnyon) Sonu Hak-won, U.S.-resident woman journalist Mun Myong-cha, chairman of the Canadian Regional Headquarters of Pomminnyon Chon Chong-rim, adviser to the One Korea Movement Choe Chong-ryol, Russia-resident Korean woman Chong Il-sim and other overseas compatriots.

They unanimously extended their best wishes for good health and a long life to General Kim Chong-il on his birthday.

They vowed to devotedly work for the accomplishment of the cause of national reunification under the banner of the afore-said 10- Point Programme, true to the behests of the respected leader Generalissimo Kim Il-song, the great father of the nation.

'Unbounded Reverence' for Kim Chong-il 'Growing'

SK2002103995 Pyongyang KCNA in English 1011 GMT 20 Feb 95

["Deep Reverence and Friendship"—KCNA headline]

[FBIS Transcribed Text] Pyongyang, February 20 (KCNA)—The feelings of unbounded reverence for the great leader Comrade Kim Chong-il are growing deeper on the five continents of the world.

Recently the honorary citizenship card and medal of Chincha City of Peru were awarded to him.

The association "Common Eurasian House" of Russia nominated him "1994 year man" and held a ceremony for presenting its diploma and medal to him.

Over the last three years since he was elected supreme commander of the Korean People's Army on December 24, 1991, Comrade Kim Chong- il received more than 16,000 messages of greetings, congratulatory letters and silk banners from over 170 countries and international organisations and above 10,000 pieces of gifts from 150 odd countries.

In this period, he was awarded more than 40 supreme orders, medals and honorary titles of different countries. "Kiettikhoun Order" of Laos, "Grand Cordon of the National Order of Leopard" of Zaire, "Grand Order of Independence" of Equatorial Guinea, "Grand Cross" of Mali, "Order of Democracy" of Colombia, "Order of Solidarity" of Cuba, "Ongulumbaswe Medal" of Namibia and "Order of Sacred Kuds Star" of Palestine, supreme orders of those countries, were awarded to him in token of highest assessment of his feats and deepest respect for him.

He was also awarded commemorative medals and titles of honorary citizen and degrees of honorary doctor and professor of cities and universities of many countries including Portugal, Nicaragua, Peru, Italy, Spain, France, Colombia, Cote d'Ivoire and Uganda.

The Party of Revolution of Benin and the Pan-African Committee of Writers and Artists for Peace and Democracy elected Comrade Kim Chong-il their honorary chairmen.

Progressive people of many countries including (?Japan), Madagascar, Uganda, Zambia, Zimbabwe, Tanzania, Nigeria, Zaire, Guyana and Nicaragua formed societies for the study of Kim Chong- il's works, groups for the study of Kimchongilism and groups for the study of works of Comrade Kim Chong-il and are studying his revolutionary idea.

Foreign Diplomats Send Gifts to Kim Chong-il

SK1602011995 Pyongyang KCNA in English 2303 GMT 15 Feb 95

[FBIS Transcribed Text] Pyongyang, February 15 (KCNA)—The great leader Comrade Kim Chong-il received floral baskets, gifts and congratulatory letters from foreign diplomatic envoys accredited to Korea on his birthday.

The diplomatic envoys of China, Cuba, Cambodia, India, Iran, Indonesia, Ethiopia, Pakistan, Mongolia, Vietnam, Egypt, Russia, Bulgaria, Nigeria, Romania, Syria, Algeria, Palestine, Yugoslavia, Yemen and Hungary, the acting chief of the security section for Germany and the acting resident representative of the United Nations Development Programme handed floral baskets, gifts and congratulatory letters to a Korean official concerned.

Comrade Kim Chong-il also received floral baskets, gifts and congratulatory letters from a councillor and the military attache of the Egyptian Embassy and the military attache of the Peruvian Embassy here.

Foreign Leaders Send Greetings to Kim Chong-il

SK1702061295 Pyongyang KCNA in English 0439 GMT 17 Feb 95

[FBIS Transcribed Text] Pyongyang, February 17 (KCNA)—The great leader Comrade Kim Chong-il received messages of greetings from foreign heads of state on his birthday.

They came from Ugandan President Yoweri Kaguta Museveni, Lebanese President Ilyas al-Hirawi, Maltese President Ugo Mifsud Bonnici, President of the Frelimo Party an Mozambican President Joaquim Alberto Chissano, President and head of state of Mali Alpha Oumar Konare, Madagascan President Albert Zafy, Tanzanian President Ali Hassan Mwinyi, Togolese President Gnassingbe Eyadema, leader of the Great September First Revolution of the Socialist People's Libyan Arab Jamahiriya Mu'ammar al-Qadhdhafi, Egyptian President Mohammad Husni Mubarak, President, head of state, and Founder-Chairman of the Democratic Party of Equatorial Guinea Obiang Nguema Mbasogo, Zimbabwean President Robert G. Mugabe, President of the

Federal Republic of Yugoslavia Zorac Lilic, and Yemeni President 'Ali 'Abdallah Salih.

The messages sent warmest congratulations to Comrade Kim Chong-il on his birthday and wish him good health and long life. They expressed the belief that the Workers' Party and people of Korea will achieve great success in the efforts for the socialist construction and the independent and peaceful reunification of the country under the wise leadership of Comrade Kim Chong-il.

They also manifest the conviction of the friendly and cooperative relations between their countries and Korea will expand and develop still further.

Paper Urges 'Great Unity' Around Kim Chong-il

SK1802114595 Pyongyang KCNA in English 1025 GMT 18 Feb 95

["Let Us Achieve Great Unity Around the Great Leader and Accomplish the Cause of National Reunification"—KCNA headline]

[FBIS Transcribed Text] Pyongyang, February 18 (KCNA)—NODONG SINMUN in a signed article today calls for achieving great unity around the great leader Comrade Kim Chong-il and carrying the cause of national reunification to a brilliant accomplishment.

It says the great leader Comrade Kim Il-song put forward the most reasonable principle, programme and ways of the reunification of the country and powerfully aroused all the Koreans in the North, the South and overseas to a struggle to carry them into practice, thereby opening a bright road to reunification. This is the most valuable heritage bequeathed by him to the Korean people, it adds.

The article continues: If we are to accomplish the cause of national independence started by the great leader President Kim Il-song, by putting a period to the history of national division and reunifying the country, it must remain loyal to the leadership of respected Comrade Kim Chong-il who fully represents the idea, virtues and leadership traits of the fatherly leader and dynamically accelerate the nationwide grand reunification march.

Leading the reunification movement of the Korean nation for dozens of years, the great leader Comrade Kim Chong-il [word indistinct] correct strategic and tactical policies for an early reunification of the country and built a powerful internal force for national reunification by leading the struggle of the Korean people for the independent reunification of the country into a victory with brilliant wisdom and outstanding strategy and roused the whole nation in the noble work for national reunification.

He set it as a matter of priority to ensure peace on the Korean peninsula in hastening the reunification of the country. And he has led the work for an active struggle to this end.

In recent years he foiled the attempts of the imperialist reactionaries to stifle the DPRK with his keen penetration, matchless grit and distinguished resources, exalting the dignity of chuche Korea and defending the security of the country, and (?creating) a favourable situation for peace and reunification.

The article calls on all the Koreans in the North, the South and overseas to remain loyal to the great leader Comrade Kim Chong-il for the realisation of the unanimous desire of the nation for reunification and [words indistinct] vigorously in the work to successfully fulfil under his sagacious leadership the behests of the fatherly leader on national reunification.

Article Marks Publication of Kim Chong-il Work

SK1802050895 Pyongyang KCNA in English 0440 GMT 18 Feb 95

["Highly Important Work That Brought New Turn in Strengthening Party, Government Organs and People's Army"—KCNA headline]

[FBIS Transcribed Text] Pyongyang, February 18 (KCNA)—NODONG SINMUN on Friday dedicated an article to the 20th anniversary of the publication of "Let Us Meet a Revolutionary Upheaval Victoriously by Strengthening the Party, Government Organs and People's Army and Carrying Out Great Socialist Construction More Efficiently" (February 17, 1975,) a famous work of the great leader Comrade Kim Il-song.

The article says:

The significance and vitality of the work lies, first of all, in that it made the Workers' Party of Korea grow in strength and develop as a revolutionary party of chuche-type.

Under the wise guidance of the great leader Comrade Kim Chong-il who has fully inherited and is successfully realizing the great leader Comrade Kim Il-song's chuche-based idea of party building, our party boasts of being an ever-victorious party leading the socialist cause to victory, having assumed perfect looks of a chuche-oriented revolutionary party.

The significance and vitality of the work lies also in that it enabled the people's government to discharge the function and role as a powerful instrument of revolution and construction by steadily strengthening and developing its organs.

Today our people's government is successfully playing its function and role as a true defender of the independent rights of the popular masses and a powerful instrument of the construction of socialism and communism because respected Comrade Kim Chong-il has wisely guided the efforts for fulfilling tasks set forth in the work.

Its significance and vitality lies also in that it has strengthened and devloped our People's Army to be invincible Revolutionary Armed Forces unfailingly loyal to the party and the leader.

With respected Comrade Kim Chong-il, the ever-victorious iron- willed brilliant commander, acclaimed as supreme commander of the Korean People's Army, a new turn has been brought in the building of our Revolutionary Armed Forces.

The leadership of the respected supreme commander is the life and soul of our People's Army and the decisive factor of victory in army building and military activities.

Our party and people will make our country, our motherland, more prosperous and accomplish the revolutionary cause of chuche, closely united around the great leader Comrade Kim Chong-il in one mind and purpose.

Kim Chong-il Sends Thanks to Railway Workers

SK1702140495 Pyongyang Korean Central Broadcasting Network in Korean 2100 GMT 13 Feb 95

[FBIS Translated Excerpt] The great leader [yongdoja] Comrade Kim Chong-il sent thanks to members of youth shock brigade and railway builders and helpers, who participated in the electrification of Hoeryong-Namyang railway. The Hoeryong-Namyang electric railway is open in the nation's most felicitous February holidays. [passage omitted on significance of railway]

A ceremony for the opening of the Hoeryong-Namyang electric railway was held in Hoeryong on 13 February. Comrade Kim Chung-nin, secretary of the Central Committee of the Workers Party of Korea; Yi Yong-mu, chairman of the Transport Commission; Yi Kun-mo, responsible secretary of the North Hamgyong Provincial Party Committee and chairman of the North Hamgyong Provincial People's Committee; Kim Chung-il, chairman of the North Hamgyong Provincial Administrative and Economic Committee; functionaries concerned, members of youth shock brigades, railway builders and helpers, and working people, youths, and students of Hoeryong participated in the opening ceremony.

The great leader [yongdoja] Comrade Kim Chong-il's thanks message was conveyed by Comrade Kim Chung-nin during the opening ceremony. Choe Yong-hae, chairman of the League of Socialist Working Youth of Korea, made a report at the opening ceremony. A resolution was adopted at the opening ceremony.

When the red ribbon in front of the electric locomotive was cut, the train gave a whistle and left for its destination amid the cheering masses.

Youths Vow Loyalty to Kim Chong-il on Birthday

SK1702102395 Pyongyang KCNA in English 1004 GMT 17 Feb 95

[FBIS Transcribed Text] Pyongyang, February 17 (KCNA)—Youth vanguards met at Kim Il-song Stadium in Pyongyang on February 16 to pledge their loyalty to the great leader Comrade Kim Chong-il on his birthday. Attending the meeting were Vice-president Yi Chong-ok and chief of the General Staff of the Korean People's Army Choe Kwang, member of the Political Bureau of the Central Committee of the Workers' Party of Korea, and other senior party and government cadres as well as more than 70,000 young people of various social strata.

Choe Yong-hae, chairman of the Central Committee of the League of Socialist Working Youth of Korea, delivered a report, which was followed by speeches of representatives of youths of various social strata.

The reporter and the speakers said that the birth of respected General Kim Chong-il was a historical event in greeting the great lodestar of the era of chuche.

Comrade Kim Chong-il is an outstanding thinker and theoretician, statesman, most famous general in the world and the tender-hearted father of the people who is possessed of literary and military accomplishments, loyalty and filial piety, they said.

They stressed that he has strengthened and developed the Workers' Party, the state and the revolutionary Armed Forces of Korea with his rare intelligence, tested guidance and tireless, energetic activities.

Regarding the question of youths as an important issue deciding on the victory or defeat of the revolution, Comrade Kim Chong-il has wisely led the Korean youth movement along the road of victory and glory, they said.

They stressed they would staunchly fight to make their country, their motherland more prosperous as befits soldiers of the great leader President Kim Il-song and respected General Kim Chong-il for the party and the leader, the country and the people as the first and second generations of the revolution remained loyal to President Kim Il-song.

A message of pledge to General Kim Chong-il was adopted at the meeting.

Meanwhile, groups of soldiers of three services of the Korean People's Army, public security officers, youth and school children and mobile art agitation team members of industrial establishments across the country for an excursion to the native home in the secret camp of Mt. Paektu, where Comrade Kim Chong-il was born, held meetings in front of the native home to pledge their loyalty to him on the occasion of the greatest national holiday.

Messages of pledge, resolutions and letters to Comrade Kim Chong-il were adopted at the meetings.

Seminar Held on Kim Chong-il's Architecture Work

SK2102101795 Pyongyang KCNA in English 1003 GMT 21 Feb 95

[FBIS Transcribed Text] Pyongyang, February 21 (KCNA)—A seminar on the famous work of the great leader Comrade Kim Chong-il "On Architecture" was held here on Monday.

In the work published in May, 1991, Comrade Kim Chong-il gave overall answers to all the theoretical and practical questions arising in establishing a chuche-based view of architecture, including the essence and features of chuche-based architecture, its position and role and historical peculiarities of its development.

Scientifically expounded in the work are the principles which must be maintained in architectural creation such as the questions of establishing the revolutionary outlook on the leader in architecture, creating architecture our own way and maintaining the party spirit, the working-class spirit and serve-the-people spirit and the questions of properly combining the national characteristics with modernness here and improving both the quality and economic value of architecture and ways for their materialisation.

It was stressed at the seminar that the work is a revolutionary doctrine of architecture and a great architectural programme that holds the most brilliant place in the richness and perfection of its overall composition, the chuche character and originality of the idea and theory on architecture contained in it and its truth and depth.

The speakers also pointed out that the work gave a scientific exposition of the essence and characteristics of beauty in chuche- based architecture, its understanding and assessment and the view of and attitude toward formative beauty and gave perfect answers as to the ways for ensuring all aspects of formative art in architectural creation such as harmony and unity, diversity, balance and safety.

They said that the establishment of the theories on architectural creation and formation and the guiding method, which should be consistently maintained in architectural creation of the working class, is another immortal exploit performed by Comrade Kim Chong-il for the times and the revolution.

Seminars on 'Greatness' of Kim Chong-il Held

SK2102131495 Pyongyang Korean Central Broadcasting Network in Korean 2100 GMT 14 Feb 95

[FBIS Translated Text] Seminars of the functionaries and members of the General Federation of Trade Unions of Korea [GFTUK], the Union of Agricultural Working People of Korea [UAWPK], and the Korean Democratic Women's Union on the greatness of the great leader [widaehan yongdoja] of our party and our people Comrade Kim Chong-il were held in Pyongyang.

Present at the seminars were Comrade Kim Chung-nin, secretary of the Workers' Party of Korea Central Committee; functionaries of the working people's organizations, and members of the unions.

At the seminars, many participants debated under such subjects as "The respected and beloved Comrade Kim Chong-il is the great leader who leads the chuche cause of socialism to victory," "The great leader Comrade Kim Chong-il is an outstanding ideologist and theoretician who adds luster to our party's chuche idea as a great idea of the era of independence," "The great Comrade Kim Chong-il is the outstanding leader who nurtured the GFTUK as a party's dependable defender and helper," and "The respected and beloved Comrade Kim Chong-il is the great leader who strengthened and developed the UAWPK organizations as the faithful rank which is endlessly loyal to the party and the leader."

The debaters said that the functionaries and members of the unions who are aware more keenly, greeting the greatest national holiday of February, of their blessings of upholding the leader generation after generation are filled with the burning resolve to fulfill the chuche revolutionary cause, with the great pride and happiness of upholding the respected and beloved Comrade Kim Chong- il, who exactly takes after the fatherly leader in ideology, leadership, and traits, at the head of the revolution and upholding his leadership.

They stressed that because our people have Comrade Kim Chong-il—who is the outstanding ideologist and theoretician, great statesman, and military strategist who pronounced the inheritance and fulfillment of the great leader's revolutionary cause to be his lifelong mission and pledged to add luster to the chuche Korea at Mt. Yongnam—they are advancing vigorously and consistently along the chuche road, the road of victory which was pioneered by the fatherly leader.

They said that the great leader Comrade Kim Chong-il gave a clear elucidation of the road for the times to follow with his ideological and theoretical activities night and day. At the same time, he turned the party and the revolutionary ranks into a strong main force of the revolution firmly united as one sociopolitical living organism, and defends and adheres to our-style cause of socialism and leads it to victory.

They said that the leadership of the respected and beloved Comrade Kim Chong-il who leads the cause of socialism to victory is consistent with his boundless loyalty and filial duty to the great leader, and referred to the fact that he sees to it that the fatherly leader is upheld forever and that he vigorously organizes and leads the entire party membership, all the people, and the entire Army to the fulfillment of the chuche cause of socialism.

They then debated on the fact that the dear Comrade Kim Chong-il, who further develops and enriches the great leader's ideology and theory on building mass organizations under socialism, made an immortal achievement in building working people's organizations. They referred to the fact that the great leader Comrade Kim Chong-il elucidated the road for the working people's organizations to follow at every time and stage of the revolutionary development and exercised his wise guidance so that they can bring forth new upturns in the work of the unions.

They said that the dear comrade leader put forth the tasks for the union organizations to carry out at every time, such as building the union ranks strong, learning the orderly ideological indoctrination work system, strengthening the primary organizations, which are the basic organizations, and vigorously organizing and mobilizing the union members to socialist construction, and exercised his energetic leadership for the struggle to realize them.

They referred to the fact that the great leader Comrade Kim Chong-il embraced all the functionaries of the working people's organizations and union members in his bosom of love and trust, brought them up to be revolutionaries, and took warm care of them.

They stressed that under the wise leadership and consideration of the great Comrade Kim Chong-il, the organizations of the working people's organizations are excellently carrying out their mission and duty as the party's helper and defender in the struggle for the fulfillment of the cause of socialism.

They then said that they will all cherish absolutely and unconditionally worship [sungbaesim] the great leader Comrade Kim Chong-il as taught by the fatherly leader in his lifetime, uphold him even better with loyalty and filial dutifulness, and brilliantly implement the party's lines and policies with the faith that they will always be victorious as long as the respected and beloved general is with them.

The debaters stressed that by further improving and strengthening the work of their unions upholding the party's intent, they will see to it that all the union members wage a vigorous struggle to make their country, their fatherland even richer and stronger in a manner befitting the great leader's [widaehan suryongnimui] fighters and the great leader's disciples, so that they can add luster to this year, when they will observe the 50th anniversary of the party founding and the 50th anniversary of the fatherland liberation, as a year of proud victory and glory.

Kim Chong-il's Chuche-Based Theory Praised

SK2102104895 Pyongyang KCNA in English
1028 GMT 21 Feb 95

["Chuche-Based Theory on Decisive Factor in Victory of Revolution"—KCNA headline]

[FBIS Transcribed Text] Pyongyang, February 21 (KCNA)—The great leader Comrade Kim Chong-il in his famous work "Socialism Is a Science" evolved the chuche-based theory on the decisive factor in the victory of the revolution, thus indicating an all-triumphant road to the revolutionary parties around the world which are struggling for socialism. This is his noteworthy ideological and theoretical feat for the human cause of independence.

NODONG SINMUN says this in an article today.

The paper quotes Comrade Kim Chong-il as saying:

"Of course, objective conditions have a great influence on the revolutionary struggle. But the decisive factor in the victory of the revolution lies not in objective conditions, but in how to strengthen the motive force of the revolution and how to raise its role."

The chuche-based theory on the decisive factor in the victory of the revolution is an entirely unique theory which has developed the revolutionary theory of the working class to a new, higher stage, the author of the article says, and continues:

Comrade Kim Chong-il, basing himself on the revolutionary principle of chuche that the popular masses are the masters of the revolution and construction and they are also the motive force of the revolution and construction, profoundly expounded that the victory or defeat of the revolution depends not on the objective factor but on the subjective factor. As a result, the objectivist onesidedness of the preceding theory has been overcome and the revolutionary theory of the working class been developed to a man- centred revolutionary theory, a revolutionary theory centred on the popular masses.

The article stresses that it is the most important matter in strengthening the driving force of the revolution to fortify the party and closely unite the popular masses around it.

It continues:

Some countries which had been building socialism in the past allowed the restoration of capitalism, yielding to the anti- socialist offensives of the imperialists and the reactionaries. This is an inevitable result of the failure to strengthen the driving force of the revolution and increase its role.

The Workers' Party of Korea has victoriously led the revolution and construction under the difficult and complicated circumstances unprecedented in history, because it has consistently built up the driving force of the revolution and increased its role.

The experience of our revolution shows that if we strengthen the motive force of the revolution and enhance its role, we can ensure the victory of the revolution by turning unfavourbale objective conditions into favourable ones, a misfortune into a blessing.

Kim Chong-il's Chuche Program Anniversary Marked

SK1902091995 Pyongyang KCNA in English
0814 GMT 19 Feb 95

["21st Anniversary of Proclamation of Programme of Modelling the Whole Society on the Chuche Idea"—KCNA headline]

[FBIS Transcribed Text] Pyongyang, February 19 (KCNA)—21 years have elapsed since the great leader Comrade Kim Chong-il put forward the programme of modelling the whole society on the chuche idea.

In his immortal famous work published on February 19, 1974, he set forth a great programmme of modelling the whole society on the chuche idea, the revolutionary idea of the great leader President Kim Il-song, to meet the matured requirement of our developing revolution.

The work consummates in a comprehensive way the theoretical and practical matters arising in imbuing the whole society with the revolutionary idea of President Kim Il-song, the policy of strengthening the education in monolithic ideology and revolutionary education among the party members and working people, the tasks to conduct a vigorous propaganda and agitation for grand socialist construction and to do away with the outdated formalistic style of the party ideological work and bring about a new turn and ways of carrying them out.

Papers here today carry articles on the occasion.

In a by-lined article titled "Undying Feats in Defending the Revolutionary Idea of the Great Leader" NODONG SINMUN says the imperishable exploit performed by respected Comrade Kim Chong-il is that he formulated the revolutionary idea of the leader and thus brought its historical position to the highest level.

It says Comrade Kim Chong-il has made a deep-going study of the fundamental principle of the leader's revolutionary idea and the contents that form the essence of the idea for a long time and, basing himself on this, formulated the revolutionary idea of the leader as the integral system of idea, theory and method of chuche.

It quotes the great leader Comrade Kim Chong-il as saying:

"With the great chuche idea founded by the leader and the communist revolutionary theory based on it, our party and people were the first in the history of the revolutionary struggle of the working class to possess the only correct guiding idea and guiding theory with which to lead the cause of socialism and communism to a victory and carry it to completion."

The formulation of the revolutionary idea of President Kim Il- song resulted in giving a scientific exposition of its basic features distinct from the preceding revolutionary theory of the working class and gave an elucidation of its historical position, the article says, and goes on: This was a historical event in which it was proudly declared that the revolutionary idea of the great leader is the immortal idea that reached the acme in the history of human thought and the only guiding idea of our times.

Indeed, great is the feat of respected Comrade Kim Chong-il who provided the Korean people and the world progressive mankind with the guideline to resolutely defend the chuche idea down through generations by formulating the revolutionary idea of the great leader, the article adds.

Armed Forces Ministry Holds Birthday Soiree

SK1902115495 Pyongyang Korean Central Broadcasting Network in Korean 1300 GMT 15 Feb 95

[FBIS Translated Excerpt] A soiree of the soldiers of the Ministry of People's Armed Forces celebrating the birthday of the respected and beloved Supreme Commander Comrade Kim Chong-il, the great leader [yongdoja] of our party and people, was held at the War Victory Plaza on the evening of 15 February.

The plaza had brilliant colorful festival decorations and was filled with hordes of officers and men from the Army, Navy, and Air Force of the Korean People's Army [KPA] who have the great pride of defending the chuche socialist cause with arms under the leadership of General Kim Chong-il, the extraordinary commander who has both literary and military accomplishments, and the endless gratitude and greatest happiness of observing the nation's most auspicious February day.

Placed in the plaza were the portraits of Comrade Kim Il-song, the great leader of our party and people, and the respected and beloved Supreme Commander Comrade Kim Chong-il. Big balloons with slogans reading "Long live the great leader Comrade Kim Il-song!" and "Long live the dear leader Comrade Kim Chong-il!" were floating in the sky above the plaza.

Hung in the plaza were huge drawing-boards reflecting the iron will of the soldiers who convey the greetings of long life to the KPA Supreme Commander Comrade Kim Chong-il, the ever-victorious iron-willed brilliant commander, and firmly uphold his leadership with arms. A placard reading "Celebrating 16 February!" and a colorful celebration stage that was decorated with Kim Chong-il flowers were also set up. The flag of the party, the national flag, and the flag of the League of the Socialist Working Youth of Korea [LSWYK] also kept flattering.

Appearing on the platform were responsible functionaries of the Ministry of People's Armed Forces.

Yi Yong-son, chairman of the LSWYK under the KPA, made a speech. [passage omitted on Yi's speech and the soiree]

Foreign Visitors at Kim Il-song's Statue

SK1602011795 Pyongyang KCNA in English 2318 GMT 15 Feb 95

[FBIS Transcribed Text] Pyongyang, February 15 (KCNA)—A delegation of the Thai Liberal Righteous Party headed by its leader Athit Urairat laid a bouquet before the statue of the great leader President Kim Il-song on Mansu Hill here and made a bow today.

Earlier, on Tuesday, secretary general of the International Institute of the Chuche Idea Kenichi Ogami and his party, a delegation of the Maritime Territorial Committee of the Communist Party of the Russian Federation led by its First Secretary V. V. Grishukov, a delegation of the maritime territorial branch of the union of Russian scholars of socialist direction headed by its Vice- Chairman Subocheva Lidiya Pavlovna and a delegation of U. S. businessmen laid floral baskets and bouquets before the statue of President Kim Il-song and made a bow with deep reverence.

Kenichi Ogami said they don't think that the great President Kim Il-song had left them. He is still now with all of us congratulating Comrade Kim Chong-il on his birthday, he said.

He stressed they would more energetically conduct the activities of learning from the great leader Comrade Kim Chong-il true to the behests of respected President Kim Il-song.

Overseas Koreans Visit Kim Il-song's Statue

SK1702102795 Pyongyang KCNA in English 1009 GMT 17 Feb 95

[FBIS Transcribed Text] Pyongyang, February 17 (KCNA)—Overseas Koreans on February 16 visited the statue of the great leader President Kim Il-song on Mansu Hill in Pyongyang and made a deep bow with unbounded reverence.

Among the visitors were Ho Chong-man, chief vice-chairman of the Central Standing Committee of the General Association of Korean Residents in Japan (Chongnyon), and his party, members of the art troupe of Koreans in Japan headed by Pak Chong-sang, director of a Department of the Chongnyon Central Standing Committee, Choe Hong-hui, president of the International Taekwondo Federation, Sonu Hak-won, advisor to the U.S. Headquarters of the National Alliance for the Country's Reunification (Pomminnyon), and his party, chairman of the Canadian Regional Headquarters of Pomminnyon Chon Chong-nim and his party, U.S.-resident Korean woman journalist Mun Myong-cha, family of Korean resident in Russia Chong Il-sim and other overseas Koreans, who are staying in the socialist homeland.

On the same day, members of the Pyongyang mission of the South Korean National Democratic Front (Hanminjon) laid a floral basket before the statue of President Kim Il-song and made a bow.

They also went to the Revolutionary Martyrs Cemetery on Mt. Taesong and laid a floral basket before the bronze bust of Comrade Kim Chong-suk, an anti-Japanese heroine and indomitable communist revolutionary fighter.

Kang Song-san, Other Leaders Watch Performance

SK2102102495 Pyongyang Korean Central Broadcasting Network in Korean 0600 GMT 16 Feb 95

[FBIS Translated Text] A music and dance performance entitled "Following the Party Forever," given by artists in Pyongyang on the occasion of the felicitous event of February, is presently under way at the East Pyongyang Grand Theater.

On 15 February, cadres of the party and the government watched the performance.

Watching the performance were Comrade Kang Song-san, member of the Political Bureau of the Central Committee of the Workers' Party of Korea [WPK] and premier of the Administration Council; Comrade Pak Song-chol, member of the Political Bureau of the WPK Central Committee and vice president; Comrade Kim Pyong-sik, chairman of the Korean Social Democratic Party and vice president; Comrade Choe Kwang, member of the Political Bureau of the WPK Central Committee and chief of General Staff of the Korean People's Army [KPA]; Comrades Chon Pyong-ho and Han Song-yong, members of the Political Bureau of the WPK Central Committee and secretaries of the party Central Committee; Comrade Kim Chol-man, candidate member of the Political Bureau of the WPK Central Committee; Comrade Hong Song- nam, candidate member of the Political Bureau of the WPK Central Committee and vice premier of the Administration Council; Comrade Hong Sok-hyong, candidate member of the Political Bureau of the WPK Central Committee and chairman of the State Planning Commission; Comrades Kim Pong-yul and Kim Ik-hyon, vice marshals of the KPA; Comrades Kim Ki-nam, Kim Kuk-tae, So Kwan-hui, and Kim Yong-sun, secretaries of the WPK Central Committee; Comrades Kim Pok-sin and Chang Chol, vice premiers of the Administration Council; Comrade Yun Ki-pok, chairman of the Economic Policy Commission of the Central People's Committee; Mrs. Yu Mi-yong, chairman of the Central Committee of the Chondoist Chongu Party; members and candidate members of the WPK Central Committee in Pyongyang; deputies to the Supreme People's Assembly; responsible functionaries of the party organs, power organs, administrative and economic organizations, the organs of the people's armed forces, central organizations, and social organizations; functionaries of the scientific, educational, cultural and arts, public health, media, and publication sectors; officers and men of the KPA; anti-Japanese fighters; bereaved families of the revolutionary martyrs; and workers.

Also in attendance were Ho Chong-man, responsible vice chairman of the Central Standing Committee of Chongnyon [General Association of Korean Residents in Japan], who was on a visit to the socialist fatherland; Choe Hong-hui, president of the International Taekwondo Federation; Sonu Hakwon, adviser to the U.S. Headquarters of the Pomminnyon [National Alliance for the Country's Reunification]; and the members of the visiting delegations of overseas compatriots.

The performance was highly acclaimed by the audience because of its high ideological and artistic characteristics.

Power Plant Workers Achieve Production Results

SK2002030495 Pyongyang Korean Central Broadcasting Network in Korean 2100 GMT 18 Feb 95

[FBIS Translated Text] Producers of electricity in various regions under the Power Industry Ministry, who significantly spent the great leader [yongdoja] Comrade Kim Chong-il's birthday as the nation's greatest festive holiday, are vigorously launching as one the struggle to produce more electricity by highly upholding the party's revolutionary economic strategy. Kim Yong-tal, director of the Power Industry Ministry, held an interview with station reporter Kim Chol-sik, stating:

[Begin recording] Functionaries and electricity producers under the Power Industry Ministry who welcomed the great leader [yongdoja] Comrade Kim Chong-il's birthday, the nation's greatest festive holiday, have vigorously carried out the struggle to produce more electricity. As a result, electricity production totalled 107 percent as compared with the same period last year.

In particular, the Hochongang Power Station, Changjingang Power Station, 17 March Hydroelectric Power General Enterprise, Pujongang Power Station, and Changjagang Power Station showed examples of overfulfilling their daily electricity quotas every day.

In addition, the struggle to produce electricity was carried out vigorously at thermal power stations in various regions. Therefore, electricity production totalled 122 percent as compared with the same period in January. Here the Pukchang Thermal Power Enterprise, Pyongyang Thermal Power Enterprise, Sunchon Thermal Power Station, and Tongpyongyang Thermal Power Station took the initiative. At these power stations, management of facilities and technology as well as organization and supervision of production were carried out well, and the struggle to produce even one more kilowatt of electricity was carried out vigorously, thus achieving good results.

Power transmission line general enterprises in each province—including South Pyongan Province and North Hamgyong Province—as well as inspection, repair, and technical management of the power transmission line facilities, were carried out well. Thus, the electricity produced is being responsibly supplied in accordance with the demand of the party's revolutionary economic strategy.

Functionaries and electricity producers under the Power Industry Ministry will continue to carry out economic organization work and production plans, and will produce and supply more electricity by highly manifesting the revolutionary spirit of self-reliance and fortitude in order to actively contribute to fulfilling the party's revolutionary economic strategy. [end recording]

'Talk' Stresses Unity, Halt of Political Dispute

SK2102125795 Pyongyang Korean Central Broadcasting Network in Korean 0653 GMT 20 Feb 95

[Unattributed talk: "The Fellow Countrymen Must Stop Political Dispute and Unite Themselves"]

[FBIS Translated Text] The great leader Comrade Kim Il-song taught in Article 4 of the 10-point program of the great unity of the whole nation for the reunification of the fatherland: The fellow countrymen must stop all political disputes that create division and confrontation between them and must unite.

In Article 4 of the 10-point program of the great unity of the whole nation, the great leader presented methods for the fellow countrymen to remove political confrontation and unite.

As the great leader taught, first, the North and the South should not pursue or create confrontation and must stop all political disputes, denunciations, and slandering. Politics are a basic area of man's social life. Political confrontation between the North and the South is an elementary factor that blocks national reconciliation and unity and creates confrontation in the military, economic, cultural, and other areas. Therefore, to stop political disputes is a prerequisite for the promotion of reconciliation and unity between the North and the South.

In order to achieve politically the great national unity, political confrontation—political dispute in ideology and in system—must be stopped, and the attitude of taking an exclusive view of one's own ideology, system, and faction while slandering the other's ideology, system, and faction should be abandoned.

Socialism and capitalism have been in acute confrontation on the Korean peninsula for almost half a century, with the Military Demarcation Line in between. As the country was divided, the North and the South have been kept closed to each other for a long time, and political disputes have constantly occurred between them. As a result, some people mistake their fellow countrymen, who are related to themselves by blood, for their enemy. This is indeed tragic to our nation, which is faced with the important task of reunifying the divided fatherland.

The South Korean antinational forces are trying to resume a large-scale nuclear war test exercise with outside forces to gain supremacy over their fellow countrymen in the North, going beyond disputes in ideology and system between the North and the South, and to impose certain sanctions on us by using international reactionary forces. This brings about the nation's curse.

Because of these flunkey and nation-selling acts by the South Korean antinational and antireunification forces, all contacts and dialogue between the North and the South have been frozen; the situation on the Korean peninsula, whose trend was flowing toward detente and reunification, has turned in the reverse direction; and the dark clouds of thermonuclear war, in addition to the tragedy of division, are floating over our people's heads.

If our people are hostile to and fight with one another, we can expect no other result than letting the imperialist reactionaries gain the third party's profit and making the whole nation fall victim to strong countries.

We must not waste the national strength in meaningless discords inside the nation, under any circumstances. We must free ourselves from the old concept of confrontation and must stop all political disputes that agitate each other and encourage distrust, as well as stop slandering each other.

As the great leader taught, our people must not be hostile to their fellow countrymen and unite the national strength to jointly cope with outside forces' invasion and interference. Our people are one nation that share the same blood line, although they are divided into the North and the South. They are brothers and sisters who must live together in one land, although their ideas and ideologies are different.

Our people, both the North and the South, are victims of outside forces' divisionist policy and are suffering pains and misfortune from the national division. Our people, a unitary nation, was divided and have confronted each other because of outside forces' invasion and interference, and because of the knavish flunkey and nation-selling acts by the South Korean antinational forces that follow the outside forces.

The only way for our people to live today is to oppose outside forces' invasion and interference and unite fellow countrymen. Only when the fellow countrymen unite their strength to jointly cope with outside forces' invasion and interference, can we break the created deadlock, put an end to the almost half a century-long sorrowful national division, and protect national interests and the nation's eternal welfare and prosperity.

The 10-point program of the great unity of the whole nation presented by the indeed great leader is a brilliant beacon that deals a hard blow to the imperialists reactionary forces, which try to gain the third party's profit by letting the fellow countrymen in the North and the South fight with each other, and that opens the bright future of our people's road toward reunification in the nineties.

Vitality of 'Socialist Independent Economy' Noted

SK2002101695 Pyongyang KCNA in English 1003 GMT 20 Feb 95

["NODONG SINMUN Calls For Full Display of Vitality of Independent Economy"—KCNA headline]

[FBIS Transcribed Text] Pyongyang, February 20 (KCNA)—A firm guarantee for exalting the dignity and honor of socialist Korea, the homeland of chuche, and achieving its constant prosperity and development lies in continuously giving full play to the vitality of the socialist independent economy of our country along our party's line of building an independent national economy, stresses NODONG SINMUN today.

In a by-lined article titled "To Give Full Play to the Might of Self-supporting Economy Is Guarantee for Prosperity and Development of the Country", the paper says:

It is our party's consistent policy to reinforce the independent national economy and give full scope to its vitality.

The line of building an independent national economy put forward by the great leader Comrade Kim Il-song is a chuche-orientated line of building an economy walking on its own feet, not depending on others, the most solid and powerful economy which serves the people at home and develops in reliance upon local raw materials and their efforts.

Today our socialism is making a long drive, not shaken by the persistent economic blockade and pressure of the imperialists and the changing external economic circumstances. This is a clear evidence of the great potential of our independent economy.

Displaying to the full the vitality of the independent national economy is the honorable task to defend and add shine to the immortal feats performed by the great leader President Kim Il-song in building socialist economy.

It is also what the great leader consistently stressed in his lifetime to continue to reinforce the independent national economy.

Reinforcing the independent economy is all the more important today when the imperialists are resorting to crafty schemes to force the capitalist market economy on others and step up economic infiltration with "economic cooperation" and "aid" as a lever.

By giving fuller play to the vitality of the independent national economy founded by the great leader President Kim Il-song, we should successfully bring into practice the plan of the great leader Comrade Kim Chong-il for building a prosperous country.

South Korea

North Said Willing To Accept South Reactor Role

SK2002032495 Seoul YONHAP in English 0307 GMT 20 Feb 95

[FBIS Transcribed Text] Seoul, Feb. 20 (YONHAP)—North Korea has expressed its willingness to accept South Korea's role in financing and engaging in the construction of two light-water nuclear reactors [LWR] for the North, showing the possibility of a breakthrough in the deadlocked Washington-Pyongyang negotiations on the provision of nuclear reactors to the north, according to officials at the Ministry of Foreign Affairs Monday [20 February].

A statement, by the North Korean Foreign Ministry spokesman carried Thursday by the (North) Korean Central News Agency (KCNA), accepted Seoul's role in the light-water reactors project but still resisted specifying the Korean standard nuclear plant in the contract between the North and the international consortium for the provision of the reactors.

"We showed ourselves to be as generous as to allow South Korea to provide loans (for the construction of the reactors) and, furthermore, to take part in the construction of the reactors and to provide non-essential parts, in consideration of the United States' financial problems. However, we have concerns that South Korea's involvement in the provision of the light-water reactors could complicate matters," said the statement obtained belatedly.

The North's statement denounced the United States and South Korea for forcing Pyongyang to accept Washington's proposal to specify South Korean standard nuclear models in the contract between the North and the Korea Energy Development Organization (KEDO), saying "The United States apparently has impure political purposes in pushing ahead with the South Korean model name."

The North urged the United States to have reasonable solutions to the matter with respect to the concessions made by the North, according to the statement.

During the Washington-Pyongyang talks on the supply of nuclear reactors to the North held in Berlin late last month, North Korea accepted South Korea's role in financing the building of the reactors for the North, engaging in civil engineering for the building of the reactors and providing non-essential parts, said ministry officials.

"They just allowed South Korea's subordinate role in the light-water reactor project," said Foreign Ministry Spokesman Ryu Kwang-sok.

"It is not correct, therefore, to say that the North has decided to accept the South's central role in the light-water nuclear reactor project unless the United States insists on the name of South Korean standard model," said Ryu.

Reactor Link With North Denunciations Studied

SK2002041295 Seoul SEOUL SINMUN in Korean 20 Feb 95 p 2

[By reporter Ku Chon-pong]

[FBI Translated Text] In a bid to make North Korea stop denouncing the South, the government is seeking measures to link the supplying of reactors to North Korea's cessation of its denunciations against the South, which have been amplified since Kim Il-song's death. This was learned on 19 February.

A government official stated: "North Korea's continual denunciation of the South is regarded as an expression of its intention not to actually implement the article on the resumption of South-North dialogue, which is included in the Geneva agreement [pukhani taenam pi bang kongserul kyesokhago in nun kosun pungmi Geneva habuisahange pohamdoen nambuk taehwa chaegae chohangul sasilsang ihaenghaji ankettanun visa pyosiro kanjudoenda]." The official added: "Therefore, the government is seeking measures to ultimately [kungguk-choguro] link the provision of light-water reactors to North Korea with the cessation of its denunciations of the South."

The official also said: "North Korea is using the denunciation of the South as a means to bolster North Koreans' hostility against the ROK. This completely runs counter to the South-North basic agreement for reconciliation and cooperation." He added: "Accordingly, if North Korea continues to denounce the South, as a result of the people's sentiments, we will not be able to play the key role in the project to provide light-water reactors to North Korea."

Vice Foreign Minister Repeats Reactors Stance

SK2002065895 Seoul YONHAP in English 0648 GMT 20 Feb 95

[FBIS Transcribed Text] Seoul, Feb. 20 (YONHAP)—The South Korean Government repeated Monday its position that the light-water nuclear reactors to be provided to North Korea under the Geneva framework agreement between Washington and Pyongyang should be South Korean standard models both in "name and content".

"South Korea and the United States have long maintained that the reactors to be provided to the North should be South Korean standard models both in name and content and there's no change in the position,' said Vice Foreign Minister Yi Si-yong, commenting on the recent concession made by North Korea on selecting the type of light-water nuclear reactors to be constructed in place of the North's graphite-moderated reactors.

North Korea, through a Foreign Ministry spokesman's statement last week, reiterated its opposition in accepting the South Korean standard nuclear plant but formally expressed its willingness, in a major concession for the first time, to allow the South to play a limited role in the construction of light-water reactors for the North and in the financing of the construction project.

"I think it's highly likely that the Washington-Pyongyang nuclear deal could be fulfilled if we stick to our position and take some measures to help the North Koreans save face," said the vice foreign minister.

The improvement in relations between Pyongyang and Washington is important for the North Koreans to survive, said Yi who expected that the North would not easily scrap the nuclear deal with Washington, as the deal is considered one of the greatest achievements of Kim Chong-il.

"Furthermore, the improvement in relations between Pyongyang and Washington had been pursued before Kim Il-song's death," said Yi.

Yi rebuffed the claims by the North that it has the right to choose its nuclear plants saying, "The provision of the reactors are made on a supplier's credit basis not on a buyer's credit basis."

The supplier's credit transaction means that the supplier of the reactors must arrange the financing for the reactors under the responsibility of the supplier because the recipient has no ability to come up with funds for the reactors.

North Korea, therefore, does not have the right to select the reactor models which they prefer, as is the case in other transactions made under the supplier's credit basis, according to the vice foreign minister.

"Furthermore, North Korea is believed to have no financial ability to pay for the construction expenses of the nuclear reactors," said Yi.

Dismissing reports that North Korea could get weapons-grade plutonium from the light-water nuclear reactors to be provided under the nuclear deal with the United States, Yi said that only the United States has the technology to obtain the highly-enriched weapons-grade plutonium from the light-water reactors called proliferation resistance reactors.

On reports that the United States may designate a U.S. firm as a project manager or program coordinator for the construction of the reactors to North Korea, the vice foreign minister said that neither the project manager nor the coordinator can serve as the principle contractor with the North but will work as a supervisor just as in other construction cases.

Seoul, U.S. Discuss Ways To Refer to Reactors

SK2002122395 Seoul MUNHWA ILBO in Korean 20 Feb 95 p 1

[Report by Kim Chae-muk]

[FBIS Translated Text] It was learned on 20 February that the ROK and the United States are reviewing ways to flexibly deal with the issue of how to refer to the ROK standard-model of light-water reactors in the agreement on the supply of reactors to North Korea in the event that North Korea accepts the ROK-type light-water reactors in actuality but makes an issue of referring to them as "ROK standard-model."

A government official participating in coordinating policies on North Korea said that "the principle agreed between the ROK and the United States on building ROK standard-model reactors with a ROK company as the main contractor is firm. However, the ROK and the United States are preparing to cope with the situation in the event North Korea accepts in actuality the ROK standard-model reactors, which are represented by Ulchin Nos. 3 and 4 reactors, but merely objects to the term ROK-model being expressly stipulated in the agreement on the supply."

The official stated that measures to refer to the model of reactors in a way that will ease North Korea's sense of rejection while having the big effect of making North Korea accept the ROK- model in actuality, would be to refer to the model in English, effectively meaning the ROK-model, or to refer to the light-water reactors as being adopted by the Korea Energy Development Organization. These two plans are under an intensive review. He added that the possibility of using other symbolic expressions cannot be ruled out. In the course of consultations between Winston Lord, U.S. assistant secretary of state for East Asian and Pacific affairs, who will visit the ROK on 22 February, and high-ranking ROK Government officials, both the ROK and the United States will finalize the common position on the issue of the term to use.

Prospects for North-U.S. Reactor Issue Viewed

SK2002085595 Seoul KYONGHYANG SINMUN in Korean 20 Feb 95 p 3

[By reporter Yi Pyong-kwang]

[FBIS Translated Text] The prospects of North Korean-U.S. negotiations on the provision of light-water reactors, which were likely to become deadlocked following North Korea's statement threatening to break the agreement on the nuclear issue if its position against the provision of ROK-type light-water reactors were not accepted, have become bright since it has been confirmed that North Korea's true intention is quite different from what was believed to be.

This trend began to be perceived by the ROK Foreign Ministry on 16 February when it obtained a copy of the full text of a North Korean Foreign Ministry spokesman's interview with the KOREAN CENTRAL NEWS AGENCY.

The government originally took a serious look at the part of the text stating "If the DPRK-U.S. framework agreement were not implemented properly, it might be better for us if the agreement were scrapped now in the initial stage rather than spending time debating over the infeasible provision of light-water reactors." However, after a close review of the full text, the government has now realized that quite an opposite interpretation is possible.

In the interview in question, North Korea stated: "We showed tolerance, allowing South Korea to bear a part of the loan and even provide some subsidiary facilities and ordinary construction. If this tolerance of ours is taken into account, it will be quite possible to find a reasonable way to smoothly resolve the issue."

This means that North Korea acknowledges it has already agreed to the ROK participating in reactor construction, providing facilities, and sharing the financial burden.

The text also strongly indicates North Korea's dissatisfaction with the ROK and U.S. attitude of driving North Korea to a corner while excessively adhering to the term "ROK-type," despite considerable concessions made by North Korea.

An ROK Foreign Ministry official said that "regarding the reactor building, North Korea and the United States agreed that the ROK would be in charge of procuring financial resources and providing materials and manpower," thus confirming North Korea's assertion.

That is, North Korea has agreed to the ROK's key role in the reactor building, to which our government has attached great importance.

Letting the ROK be in charge of facilities and construction of light-water reactors indicates that North Korea will consequently allow the traffic of materials and manpower between South and North Korea.

In conclusion, this enables us to predict that North Korea-U.S. negotiations on the light-water reactor provision to be resumed in March will focus on the type of light-water reactors to be supplied to North Korea, based on their "considerable unanimity of opinion [sangdanghan uigyon chopkun]." This is because one of the two demands—the supply of an "ROK-type" reactor and "the ROK's key role"—that our government presented as preconditions for our support for the light-water reactor project has now been met.

However, it is difficult to predict the result of the North Korean-U.S. negotiations because both sides still adhere to their own position on the supply of "ROK-type" reactors.

In light of the current atmosphere in North Korea, it is expected that North Korea will strongly refuse to accept ROK-type reactors. However, it is unclear whether North Korea will object to ROK-type reactors or the term "ROK-type."

If North Korea objects to the term "ROK-type," it is possible for both sides to easily find a point of agreement.

While postulating that "ROK-standard designed light-water reactors must be provided to North Korea," Walter Slocombe, deputy under secretary of defense, said: "It is unnecessary to write on the reactors in large characters 'Provided by the ROK.'"

As Deputy Under Secretary Slocombe stated, many ROK Government officials show such a flexible attitude as agreeing to use an alternate term even though "ROK-type" reactors will actually be provided to North Korea, taking the North Korean position into account.

However, North Korea's agreement to the ROK's key role in the project cannot completely solve this problem.

Although North Korea agreed to the ROK's participation in financial resources procurement, facility provision, and reactor construction, it is quite possible for North Korea to return to a strong position in the course of negotiations over the acceptance of ROK-type reactors.

In addition, although North Korea agreed in principle on ROK technicians' free travel between South and North Korea, it is also possible for North Korea to actually control their travel, adducing various reasons. Thus, many obstacles to the negotiations still exist here and there.

U.S. Firm Said Promoting Reactor Deal in North

SK2102083095 Seoul YONHAP in English 0823 GMT 21 Feb 95

[FBIS Transcribed Text] Seoul, Feb. 21 (YONHAP)—A U.S. light-water nuclear reactor manufacturer is trying to promote its product in the North Korean market to the detriment of the joint efforts by both the Seoul and Washington governments to force Pyongyang to accept South Korean standard model nuclear reactors, according to diplomatic sources here Tuesday.

The recent reports in the United States on the possibility of the United States Government considering providing U.S.-made nuclear reactors to North Korea under the OEM [original equipment manufacturer] basis might have been due to a trick by Westinghouse Electric Corp. which wants to penetrate the Korean reactor market, according to the sources.

Circumstantial evidence shows Westinghouse must have leaked information on the original equipment manufacturing basis provision of the reactors to the North to some press organizations in the United States, although Seoul and Washington have never discussed providing reactors to the North under such terms, said the sources expressing displeasure with the U.S. firm.

The U.S. company wants to take advantage of the nuclear deal between Pyongyang and Washington in a bid to regain the light-water nuclear reactor market on the Korean peninsula which it had lost due to their reluctance to transfer core technology for the construction of the light-water reactors to South Korean firms, according to the sources.

South Koreans later turned to another U.S. firm Combustion for the technology to build light-water reactors.

The sources also blamed Westinghouse for the leakage to the press of the defects of South Korean standard nuclear models made with technological assistance from its rival Combustion.

Status of U.S.-North Business Relations Assessed

SK2102060595 Seoul YONHAP in English 0534 GMT 21 Feb 95

[FBIS Transcribed Text] Washington, Feb. 21 (YONHAP)—The exchange on civilian sectors between the United States and North Korea is expected to be further activated with the U.S. business delegation starting negotiations for constructing infrastructure within the Najin-Sonbong free trade zone in the communist country.

Reliable sources in Washington and members of the U.S. press have said that a U.S. delegation led by a vice chairman of MCI, an influential telecommunications company, arrived in Pyongyang Sunday to discuss installing a direct telephone line linking the two countries and satellite communication networks in the free trade zone.

Early last week, another U.S. business delegation comprised of 11 business firms visited Pyongyang to sound out the possibility of their businesses, particularly their potential investment, in the free trade zone, THE WASHINGTON POST reported Monday.

The newspaper said that a Hong Kong business group initialed a contract worth 500 million dollars for the construction of air and sea ports, adding that they also discussed in detail the installation of satellite communication networks in the trade area by the joint participation from MCI and another company, the on-line technology.

The sources foresaw that a number of businesses are likely to push for a trip to North Korea in accordance with Washington's easing of restrictive measures against Pyongyang, effectuated on Feb. 14.

The sources further said that another influential American company, AT&T, a major marketing competitor of MCI's, will soon dispatch its delegates to Pyongyang to discuss the installation of a direct telephone line between the United States and North Korea.

Meanwhile, an increasing number of North Koreans are visiting the United States to take part in various meetings arranged under the name of academic and religious organizations.

A four-member North Korean delegation, led by Chairman Chon Kyong-nam of the Korean Committee for Aiding Overseas Compatriots, will be visiting Washington soon, the sources revealed, adding the delegation includes senior members of the North Korean Workers' Party.

They added that the Committee Chairman Chon and the Vice Chairman Yi Chong-hyok of the Asia-Pacific Peace Committee must have already left Pyongyang for a U.S. trip and said that Yi and others are senior members of the Workers' Party on the level of director- generalcy.

The number of North Koreans visiting the United States are expected to further increase as the U.S. State Department has reportedly decided to allow all visa applications by North Koreans when they are to attend religious and academic events in America.

THE WASHINGTON POST also reported that the U.S. business delegation with 11 companies, which visited the reclusive country for four days from Feb. 14, was given a warm welcome there.

In an interview with the WASHINGTON POST, President Michael Weaver of Data Source Holdings, one of the members of the delegation, said that they saw the business opportunity in North Korea and Pyongyang strongly desired to increase business trade with Americans.

The American business mission, led by James Zumwalt, former State Department human rights adviser, visited Pyongyang from Feb. 14 through Feb. 18, with a total of 18 members from General Motors (GM), MCI, banks, trading and construction, and engineering companies.

North Delegates Reportedly Embark for U.S. Visit

SK2102003195 Seoul YONHAP in English 0007 GMT 21 Feb 95

[FBIS Transcribed Text] Washington, Feb. 20 (YONHAP)—A four-member North Korean delegation, led by Chairman Chon Kyong-nam of the Korean Committee for Aiding Overseas Compatriots, is visiting Washington soon, reliable sources said Monday.

Sources in Washington and New York said that the delegation, that includes Vice Chairman Yi Chong-hyok of the Asia-Pacific Peace Committee, a senior official of the ruling Workers' Party, has left Pyongyang on its way to the United States.

A detailed U.S. itinerary of the Pyongyang delegation, which is visiting the United States at the invitation of private U.S. organizations, has not been disclosed. It was learned, however, that they have been issued visas for participating in academic and religious events and discussing an exchange of civic personnel between the United States and North Korea, while staying in Washington.

The U.S. State Department intends to issue visas to all North Koreans who wish to visit for the purpose of attending religious and academic events, according to diplomatic sources here.

"In addition to the four-member delegation, many teams of North Koreans have applied for U.S. visas," they said.

Japan Seeks Written Nuclear Pledge From DPRK

SK2102030395 Seoul YONHAP in English 0043 GMT 21 Feb 95

[FBIS Transcribed Text] Tokyo, Feb. 21 (YONHAP)—Japan is seeking to get from North Korea a promise in writing not to divert the nuclear materials and facilities related to the light-water reactors to supply military applications as a condition of its assistance in North Korea's light-water reactor project, the TOKYO SHIMBUN reported Tuesday, citing Foreign Ministry sources.

The North Korean promise should also include pledges not to transfer nuclear materials and facilities to a third country and to take complete nuclear safety measures, one source was quoted as saying.

Japan wants to get the promise before the core of a light-water reactor is delivered to North Korea, the Japanese-language daily said.

Japan makes it a rule to bind a foreign country to a ban on military applications of nuclear energy by an agreement when it launches a nuclear technology cooperation program with a foreign country, but it cannot conclude such an agreement with North Korea because it has not yet established diplomatic relations with the communist nation.

Therefore, Japan wants North Korea to include the promise in documents exchanged with the Korea Energy Development Organization, the newspaper said.

It is quite proper for Japan to obtain such a written promise from North Korea because the burden of aiding North Korea's light- water reactor project falls on Japanese taxpayers, and Japan will get the promise in cooperation with South Korea and the United States, another source was quoted as saying.

North Notifies Council About Conference Delegates

SK2002095995 Seoul KBS-1 Radio Network in Korean 0925 GMT 20 Feb 95

[FBIS Translated Text] It was learned that North Korea has notified our side's measure council for the comfort women issue that it will send through Panmunjom a seven-member delegation to the third Asian solidarity conference on the issue of the comfort women for the army to be held in Seoul on 26 February.

A National Unification Board official said today that since North Korea does not appear to attempt to use the conference for its political purpose, it is the basic position of the government to allow the participation of the North Korean delegation in the conference.

Therefore, it is likely that a North Korean delegation will participate in an international conference in Seoul for the first time in about two years.

Requests Memorandum on Safety

SK2002105795 Seoul YONHAP in English 1050 GMT 20 Feb 95

[FBIS Transcribed Text] Seoul, Feb. 20 (YONHAP)—North Korean delegates are expected to attend a regional meeting on the issue of "comfort women" slated for early next week in Seoul.

If they actually take part in the meeting, it would be the first North Korean participation in an international meeting in Seoul in two years.

A source at the Korean council on the issue of women forced to offer sex service to Japanese soldiers during World War II, said a similar North Korean organization finally informed the council Monday afternoon it would send seven delegates to the Seoul meeting.

North Korea first aired its willingness to attend the Seoul meeting on last Feb. 8.

Saying that its delegates would enter the South through Panmunjom at 10 AM Feb. 26, the North said Monday it wants to have a memorandum of South Korean authorities guaranteeing the delegates' personal safety during their stay in the South, according to the source.

An official at the National Unification Board said the government policy is to allow the North Korean delegates to come to Seoul to attend it since they seem to have no intention of using the occasion for their political gains.

The 3rd meeting of Asian alliance on the issue of "comfort women" takes place in Seoul on Feb. 27-March 1 to discuss joint steps to pressure Japan into giving proper compensation to the victims of the forced sex service.

Kim Chong-il's 'Elite Assistants' 'Steer' Policy

SK2102120695 Seoul YONHAP in English 1132 GMT 21 Feb 95

[FBIS Transcribed Text] Seoul, Feb. 21 (YONHAP)—Those who steer North Korea after the death of Kim Il-song last July are not senior leaders but a group of 20 or so elite assistants to Kim Chong-il, it was learned here Tuesday.

A source who has been to North Korea often told the YONHAP News Agency that senior leaders like party secretary Kim Yong-sun and Foreign Minister Kim Yong-nam are mere "rubber stamps."

"Officials who decide major policies like those relating to the nuclear question, U.S.-North Korea relations and inter-Korean issues are about 20 elite aides to Kim Chong-il who are mostly in their fifties," he said.

The source who maintains close contacts with ranking North Korean officials said Kim Chong-il is now in the process of being deified under the catchword of "Kim Il-song is the synonym of Kim Chong-il and vice versa."

The reason for delay in Kim Chong-il's formal rise to the top leadership is neither his health problem nor a power strife, according to the source.

"In North Korea, a country of Kimilsongism fanatics, people's emptiness and frustration over the demise of their god, Kim Il-song, are too deep for Kim Chong-il to fill them up right after his death," he said.

Therefore, the source said, Kim Chong-il would be able to ascend to full power around the time of the first anniversary of his father's death at the earliest.

Depending on the pace at which people's faith in the junior Kim is formed, his rise to the top leadership may be delayed for as long as three years, he said.

He said it is part of his deification campaign that his public appearance is being minimized as much as possible to add to his mystification.

One of the oft-cited phrases in connection with his deification is: "Whereas great leader Kim Il-song had 16 countries surrender before him during the Korean war, our unprecedented hero Kim Chong- il made the United States, the super power in the post-Cold War age, kneel down before him and had the country bring oil and reactors to us."

Kim Chong-il's elite aides wait for the time when "Kim Chong-il myth" will mature without hastening his ascension as there are no other forces eying at the top post, the source said.

Han Applies for Permit To Contact North Koreans

SK2002083695 Seoul YONHAP in English 0813 GMT 20 Feb 95

[FBIS Transcribed Text] Seoul, Feb. 20 (YONHAP)—Opposition Democratic Party's [DP] Rep. Han Hwa-kap applied Friday for official permission to contact North Koreans during his scheduled participation in the Fifth Leaders Conference of Overseas Koreans slated for April 7-9 in Sydney, the National Unification Board (NUB) said Monday.

The NUB, upon receiving Han's application, has asked him to complete documents to grasp the character, theme and participants of the meeting, said Kim Yong-il, director-general of the NUB's Intra- Korean Interchange and Cooperation Bureau.

The annual overseas Koreans' gathering is to be hosted this year by the Federation of Korean Associations in the United States, but whether a North Korean delegation will take part in the meeting has yet to be confirmed, according to the NUB.

Meanwhile, the NUB flatly denied a Monday report by the CHUNGANG ILBO that the Peace Foundation for the Asia-Pacific Region, led by the former DP chairman, Kim Tae-chung, has verbally asked for government approval to get in touch with North Koreans for a joint scientific seminar with the North's Academy of Social Sciences.

A foundation spokesman said, "We've never heard of it. The report is absolutely groundless."

Kim Yong-sam Urges Tighter Defense Posture

SK2002040995 Seoul YONHAP in English 0401 GMT 20 Feb 95

[FBIS Transcribed Text] Seoul, Feb. 20 (YONHAP)—President Kim Yong-sam Monday warned the armed forces to tighten their defense posture, noting that North Korea, despite many difficulties, is steadily improving its fighting capability with increased military exercises.

He made the remarks after having received Defense Minister Yi Yang-ho's report on the defense situation during his New Year inspections of the Defense Ministry.

"As there are possibilities that North Korea may add to strained relations with the South to divert the attention of their people from its accumulated domestic failures, this is a very important time in our security policy," the commander-in-chief of the Armed Forces remarked.

Stressing that the Armed Forces must produce competent low-level leaders to develop a crack fighting force, Kim said the Defense Ministry should develop an effective recruitment and training system, along with a rational personnel administration system, to produce commanders capable of leading a scientific fighting force.

Saying the morale is a measure of the Armed Forces' fighting capability, he told Minister Yi to take measures to improve the morale of officers and enlisted men and women and the living conditions of officers and noncommissioned officers in particular.

"There must be measures to guarantee the leadership of low-level leaders, such as platoon leaders and noncommissioned officers," he stressed.

Calling the ministry's ongoing reorganization work "a courageous step to increase the combat efficiency of the armed forces," he said the Armed Forces must continue reform programs in order to develop an elite fighting force to protect peace and freedom of the people in the post-Cold War world situation.

Kim received the departure report from a 37-member medical unit that will replace the unit serving as a UN peacekeeping operation contingent in West Sahara.

Prosecution Office on U.S. Forces' Offenses

SK2002120395 Seoul CHUNGANG ILBO in Korean 20 Feb 95 p 23

[FBIS Translated Text] Amid an increasing demand by citizens' organizations for the revision of the ROK-U.S.

Status of Forces Agreement [SOFA], the prosecution office decided to intensify its right to prosecute members of the U.S. Forces in Korea.

On 20 February, the Seoul District Public Prosecution Office worked out a policy to actively cope with ever-increasing crimes committed by members of the U.S. Forces in Korea, and decided to pursue even misdemeanor offenses—which it did not use to do in the past—when the intent of the offense is determined, or to make summary indictments against the offenders.

This policy was prompted by the need to actively cope with crimes committed by foreigners, which are expected to increase in the wake of full-scale globalization, including the launching of World Trade Organization [WTO], and by the demand of civilian organizations for a revision of the SOFA.

Accordingly, the Criminal Department No. 6 of the Seoul District Public Prosecution Office (Chief Prosecutor Yu Kuk-hyon) decided to summarily indict Private First Class [PFC] William (23) from a U.S. Green Baret unit (airborne unit) who snatched a purse from a passerby (intimidation), and five U.S. soldiers from a unit in Tongduchon who had a gang fight with Korean passersby (violence). This indictment will be made this week without physical detention.

PFC William, who came to Seoul to participate in a training, got drunk and threatened a passerby of his fifties, who was walking in Itaewon, Yongsan-ku, Seoul. He snatched his wallet containing 130,000 won. He was captured by police but the offender and the victim agreed on compensation. Besides, the victim does not want the offender to be punished. The prosecution has banned PFC William from leaving the ROK. It is likely that in the event that the prosecution exercises the right to prosecute, he will be dismissed from the Army according to U.S. Army regulations.

The five U.S. soldiers from the unit in Tongduchon had a gang fight with three Korean youths in their twenties on the street in downtown Uijongbu late last November and were taken to the police. Both Koreans and American soldiers were slightly injured.

The number of cases involving U.S. Forces or U.S. Forces-related individuals detained by the Seoul District Public Prosecution Office last year was 671 (including 350 U.S. soldiers). Of them, only 16 were indicted, including one summary indictment. The number of people detained by the prosecution in 1992 and 1993 was 614, respectively, [as published] but the prosecution decided to prosecute only 2 to 3 percent.

Concerning this, a relevant official in the Seoul District Public Prosecution Office said that "since the crimes by U.S. Forces in Korea are increasing as time passes and the people's attention to this has been heightened, it is inevitable to actively exercise the right to prosecute." He pointed out: "The prosecution plans to recommend to the Ministry of Justice the amendment of a few articles in the SOFA which excessively favors the U.S. side."

Yi Holds News Conference With Japanese Reporters

OW2102010995 Tokyo SANKEI SHIMBUN in Japanese 18 Feb 95 Morning Edition p 4

[Report on news conference by South Korean Prime Minister Yi Hong-ku with Japanese media reporters in Seoul on 17 February; by Katsuhiro Kuroda]

[FBIS Translated Text] Seoul, 17 Feb—Yi discussed a number of issues, including the future of Japan-ROK relations, which were normalized 30 years ago this year; the future of the U.S.-DPRK nuclear accord; and the future of north-south relations.

On the 30th anniversary of the normalization of Japan-ROK diplomatic relations, he said that the "50th anniversary of the kwangbokchol [restoration to previous glory]," which put an end to Japanese colonization, is of greater significance. However, he assessed highly the achievements of the past 30 years, saying: "It is unfortunate that no matter where you go, you find that relations between neighboring countries are tense. So 30 years of cooperative ties, despite the unfortunate past, have been very beneficial to both countries and our relations have been improved in a desirable way. Our ties have deepened in every area."

He added: "We should continue to guide our ties without deviating from this course in the future too. From an international viewpoint, I am of the opinion that there is no difficult mutual issue to be solved."

He then commented on the issue of lifting the ban on bringing Japanese mass culture [taishu bunka] to ROK, saying: "It is not an easy thing to do because of our special historic backgrounds. However, there is a fundamental trend toward approving it. Neither of our countries should make a fuss about it or treat it as a policy problem."

On other pending issues, including that of comfort women, between the two countries, he said "time will solve them."

"They will not be major issues by the end of the 21st century," he said.

His comments then moved on to the DPRK's rejection of South Korean light-water reactors, despite the fact they were agreed on in the U.S.-DPRK accord.

Yi said: "The north will be forced to make a difficult decision in few weeks or months on whether to accept the offer or go back to the starting point (by breaching the accord).

"It seems the north is aiming to partially accept the accord by separating what it sees as desirable portions of the agreement, including the formation of a U.S.-DPRK liaison office, from such undesirable ones as accepting South Korean reactors. Nevertheless, they will gradually understand that it will be very difficult for them to get exactly what they want."

His remarks disclosed his feeling that the U.S.-DPRK agreement on accepting South Korean reactors will ultimately be carried through.

On the issue of the suspension of north-south dialogue, Yi said: "The north is to blame for the tense relationship. We are patiently and quietly waiting to see how the north will deal with the resumption of the north-south summit talks. However, it is necessary for us to create an environment that will help the north decided to resume dialogue.

He then moved on to the delay in DPRK party general secretary Kim Chong-il assuming the post of president.

Yi said: "It is a special characteristic of the leadership in North Korea." He added that Kim would be inaugurated as president by the end of 1995.

Then he turned to the issue of the ROK Government approving the North Korean representatives due to attend an Asian international conference on comfort women issue, despite the absence of official north-south dialogue. The conference is being held by private groups toward the end of February.

He was asked: "Do you not think this will allow the north to promote its 'Anti-Japanese Unification Front' tactics?"

Yi answered: "It will not be accepted in ROK society, even if the north has the intention so to do."

Korean Companies Join Oil Exploration in Ecuador

SK2102072995 Seoul THE KOREA HERALD in English 21 Feb 95 p 8

[FBIS Transcribed Text] The Ministry of Trade, Industry and Energy (MOTIE) will allow three Korean companies to participate in overseas oil and gas exploration projects.

Yukong Ltd. and the Korea Petroleum Development Co. (PEDCO) of South Korea, along with Santa Fe Energy Resources Co. of the United States and Nippon Oil Co. of Japan, will conduct test drillings to explore oil on the Mining Block No. 11, some 140km northeast of Quito, the capital of Ecuador.

After creating an international consortium, the five companies bid for the ground oil exploration project offered by Petroecuador, a state-run company in Ecuador, and recently won the project, a MOTIE spokesman said.

The consortium signed a production sharing contract (PSC) with Petroecuador, under which participating companies are to share oil to be produced there if they succeed in finding economically-viable one.

The equity ratio of the consortium is 21 percent for Yukong, 14 percent for the state-run PEDCO, 35 percent for Santa Fe and 30 percent for Nippon Oil.

Yukong and the PEDCO will invest about $10 million in the mining block oil exploration over the next four years starting late this month.

The preliminary results of the geological survey of the mining block indicates likelihood of oil deposits, said the spokesman. Presently, South Korea imports some 14.8 million barrels of crude oil from Ecuador annually.

In the meantime, Daesung Industrial Co. of South Korea recently signed a gas exploration contract with Texaco and Arkona Basin Resources (ABR) of the United States.

The three companies, holding the equity ratio of 35 percent, 54 percent, and 11 percent, respectively, will conduct drilling tests in Oklahoma, a southern state in the United States over five years starting early next year.

Daesung plans to invest some $10 million in the gas exploration project in Oklahoma, widely known as a center of gas development in the world, the spokesman said.

As part of its efforts to help domestic enterprises actively to participate in overseas oil or gas development projects, the MOTIE has decided to extend financial support to domestic firms exploring resources abroad beginning April 1, he added.

Seoul Decides To Submit Subsidy Plan to WTO

SK1902105295 Seoul SEGYE ILBO in Korean 10 Feb 95 pp 1, 7

[Report by correspondent Cho Kil-ho]

[FBIS Translated Text] The government has finally confirmed 133 cases of domestic enterprises that will receive industrial subsidies, and decided to report this to the Subsidies-Countervailing Duties Committee of the World Trade Organization [WTO] by the end of March.

Preventive subsidies will be granted to 16 enterprises. They will support domestic enterprises in their export activities or in reducing the amount of imports from foreign countries; including the reserve funds to recoup losses in exports, the reserve funds to pioneer overseas markets, and the funds to lay the relevant foundation for small- and medium-sized enterprises.

It also decided to give 32 countervailing subsidies to specific enterprises in five industries; including the forestry, fisheries, and machine industries.

The remaining 85 subsidies are classified as permissible subsidies that the government can provide without any restrictions, even after the WTO is formed.

According to authorities concerned, including the Ministry of Finance and Economy, the government decided on 9 February on the 133 domestic industrial subsidies, as well as on its plan to reduce such subsidies. The list and the plan should be reported to the WTO—inaugurated last January—by the end of March. In this connection, even after the 48 cases of subsidies classified as "preventive subsidies" and "countervailing subsidies," are abolished or reduced, the government plans to work out compensatory measures to lend support to domestic enterprises in other ways.

Included in the subsidies, classified as preventive subsidies this time, are five cases of subsidies for small- and medium-sized enterprises, such as tax deductions for investments made by small- and medium-sized enterprises; subsidies to lay the relevant foundation for small- and medium-sized enterprises (funds for facility investments); funds for the deferred-payment export of the small- and medium-sized enterprises (funds for manufacturing activities of small- and medium-sized enterprises); and funds to lay the relevant foundation of small- and medium-sized enterprises (funds for the preservation of their pertinent environment). Therefore, if these subsidies were abolished within three years, it is likely that small- and medium-sized enterprises would suffer the most in the future.

Categorized into preventive subsidies are six cases of subsidies, such as the reserve funds to recoup losses in exports and the tax reduction for foreign enterprises which have invested in the free export zones, because these subsidies are regarded as effective in supporting export activities. Also included in this category are another 10 cases of subsidies—such as the funds to support the supply of domestically-produced computers and the funds to support the purchase of fishery products processing machines—because they are regarded as effective in substituting imports.

By the end of this month, the government will work out complementary plans to replace government subsidies that will be abolished or reduced. Their targets are businesses with financial difficulties and industries that are vulnerable to outside competition. The government will make a decision on this later. It will convene a meeting of the External Economic Coordination Committee (Chairman: Hong Chae-hyong, deputy prime minister and minister of finance and economy) early next month and submit its new subsidy program to the WTO's Subsidies-Countervailing Duties Committee on 31 March.

Some countries importing certain industrial products produced by particular businesses or industries with government subsidies can levy countervailing duties. The government has also decided to completely revise its subsidies support system, including relevant laws and regulations, by changing its method of support, and target businesses and items in accordance with international trade norms.

Along with this, the government will thoroughly revise the overall industrial support system, such as the tax and financing system; will also work out a comprehensive industrial support policy, including an early reduction of the corporation tax rates for the small- and medium-sized enterprises which will expectedly be placed in a difficult situation as a result of the reduced subsidies; and will implement such a policy at the end of March when the government submits its plan to the WTO on reducing subsidies.

The following is a list of the ROK Government's subsidies to domestic enterprises that will be submitted to the WTO:

I. Preventive subsidies (16 cases):

A. Subsidies for exports (6 cases): reserve funds to recoup losses in exports; a tax reduction for foreign enterprises that invest in free export zones; reserve funds to pioneer overseas markets; funds to support trading activities for small- and medium- sized enterprises; funds to support manufacturing activities of small- and medium-sized enterprises, out of the funds for deferred-payment exports; funds to support facility investment, out of the funds to lay the relevant foundation for small- and medium-sized enterprises.

B. Subsidies for substituting imports (10 cases): funds to preserve the relevant environment, out of the funds to lay the relevant foundation for small- and medium-sized enterprises; funds to support the distribution of domestically-produced computers, out of the funds to promote the information and communications industry; funds to support the purchase of fishery products processing machines, out of the funds to promote the purchase of processing machines of agricultural and fishery products; and, in connection with various kinds of tax deductions, a system to discriminate between domestically produced goods and foreign-made products as follows:

1. a tax deduction for the investment in the facilities to develop technology and man power

2. a tax deduction for the investment in the facilities to increase productivity

3. a tax deduction for the investment in special facilities

4. a tax deduction for the investment in small- and medium-sized enterprises

5. a tax deduction for the investment in those enterprises whose facilities have been moved to local provincial areas

6. a tax deduction for the investment in those facilities that have been furnished in connection with the program to streamline industries

7. a tax deduction for the investment in those facilities that are aimed at promoting the welfare of workers

II. Countervailing subsidies (32 cases):

A. forestry industry (2 cases): funds to replace plywood- padded facilities; and funds to use and process forestry products

B. fisheries industry (13 cases): funds for fishery; funds for the drift net-used fishing in the northern waters; funds to produce and manage overseas resources; funds to cooperate with coastal countries in fisheries; funds to develop fishing farms; funds to lay the relevant foundation for fishing farms; funds to build farms for fresh-water fish; funds to build facilities for the distribution of fresh-water fish; funds to supply equipment and materials for fish farming; funds to build facilities for treatment, storage, and process of fishery products; funds to process and manage fishery products; funds to develop deep-sea fishing in the Antarctic Ocean; and a reduction of local taxes for the building and acquisition of ocean-bound ships

C. Coal industry (3 cases): funds to support the project of storing coal in the summer, out of the funds to foster the coal industry; funds to support the building of coal briquette factories; and funds to stabilize the coal industry

D. Machine industry (7 cases): funds to develop oil fields, out of the funds to support the oil industry; funds to manage the safety of gas; a tax reduction for the spare parts necessary to manufacture aircraft and ships; funds to manufacture processing machines, out of the funds to produce processing machines for agricultural and fishery products; reserved funds to manufacture farm appliances; funds to build the facilities for manufacturing farm appliances; and funds to build the facilities for manufacturing livestock equipment and materials

E. Information and communications industry (2 cases): funds to improve and replace old facilities, out of the funds to promote the information and communications industry; and funds to develop ultramodern, key parts of the information and communications industrial products

F. Others (five cases): a tax reduction for foreigners-invested enterprises which are engaged in high-tech projects; funds to manufacture industrial materials and parts; funds to support the building of stone industry; funds to foster environment-friendly industries, out of the funds to establish anti-pollution facilities; and funds to foster special indigenous products manufacturing complexes in rural and fishing areas.

III. Permissible subsidies (85 cases):

A. Subsidies for research (6 cases): funds to purchase relevant facilities, out of the funds to promote the information and communications industry; funds to develop pertinent technology; funds to support the project to develop relevant national policies; funds to develop less-pollution-emitting, or non-pollution-emitting automobiles, out of the funds to support the installation of the facilities to prevent pollution; funds to support environmental engineering technology related to the G-7 [Group of Seven industrialized countries]-initiated projects; and funds to promote science and technology

B. Other permissible subsidies (79 cases):

1. Small- and medium-sized industries (17 cases): funds to support the newly-established, technology-intensive small- and medium-sized enterprises; reserve funds to invest in small- and medium-sized enterprises; a special tax reduction for small- and medium-sized manufacturing enterprises; a reduction of capital gains tax for one-man businesses when they turn themselves into corporate bodies; a tax reduction for those small- and medium-sized enterprises that wish to change their business lines; funds to support the project to establish the cooperatives of small- and medium-sized enterprises; a reduction of capital gains tax for small- and medium-sized enterprises when they merge into one another; funds to foster local small- and medium-sized enterprises; funds to develop relevant technology, out of the funds to lay the relevant foundation for the small- and medium-sized enterprises; funds to purchase pertinent products; funds to improve the structure of small- and medium-sized enterprises; funds to support the mutual-aid projects of small- and medium-sized enterprises; funds to support the project of discounting commercial bills; funds to support trust guarantee projects; funds to develop another pertinent technology; funds to support the small- and medium-sized enterprises, out of the funds to support the installation of the facilities to prevent pollution; and funds to support the automation of small- and medium-sized enterprises

2. Technical support (17 cases): reserve funds to develop relevant technology; a tax deduction for the project to develop another pertinent technology and manpower; a reduction of income tax for technology transfer; an exemption of special excise tax for the specimen items manufactured for experimental and research purposes; a reduction of customs duties for the items manufactured for academic research purposes; a tax reduction for the automation of factories; a reduction of customs duties for the high- technology industrial products; funds to develop another pertinent technology, out of the funds to develop the manufacturing industry; funds provided by the Korea Industrial Bank to develop relevant manufacturing technology; funds to support the project of developing the technology to lay the relevant foundation of the manufacturing industry; funds to support small- and medium-sized enterprises so that they can cooperate with each other in carrying out research and development; funds to support small- and medium-sized enterprises in developing another pertinent technology; funds to support special projects on research and development; funds provided by the government to encourage the invention of equipment and facilities; an exemption of local taxes for real estate properties to be used for research institutes which are

affiliated with relevant enterprises; funds to develop environment-friendly technology, out of the funds to support the installation of the facilities to prevent pollution; and funds to support the research on the technology to develop waste-recycling facilities

3. Local development (13 cases): reserve funds to invest in projects to develop sources of income in rural and fishing villages; a reduction of taxes for those enterprises that wish to establish their business in the rural or industrial complexes; a reduction of local taxes for such enterprises; funds to support such enterprises; a tax reduction for the small- and medium-sized enterprises that wish to begin their business in rural or fishing areas; reserve funds to support the enterprises that wish to move their facilities to local areas; a reduction of capital gains tax for the enterprises that wish to move their factory facilities to local areas; a reduction of capital gains tax for enterprises whose factories have been in operation for more than five years; reserve funds to support the corporate bodies that wish to move their facilities to local areas; a reduction of special surtax for relevant enterprises; a tax reduction for small- and medium-sized enterprises that wish to move their facilities to local areas; an exemption of income tax for projects to develop Cheju Island; and an exemption of local taxes for enterprises that wish to move their factories to local areas

4. Energy and mining industry (7 cases): reserve funds to invest in energy-saving facilities; reserve funds to invest in the mining industry; reserve funds to recoup losses in overseas investments; funds to develop overseas resources; funds to recoup losses in electric charges levied; funds to support the project to develop energy-related technology, out of the funds to support the oil industry; and funds to rationalize the use of energy

5. Forestry industry (9 cases): a reduction of income tax for the development of the forest; funds to develop the forest; funds to support the afforestation; funds to support the facilities of civilian-owned forest; funds to support the fostering of future foresters; funds to support the supply of the equipment for the management of forests; funds to support the development of civilian-owned forest; funds to support the production of timber at civilian-owned forest; and funds to support the fostering of forest caretakers

6. Fisheries industry (5 cases): funds to stabilize the prices of agricultural and fishery products; an exemption of local taxes for small fishing vessels that weigh less than 10 tonnes; funds to support the project to replace small, retired fishing vessels; funds to support the building of economically-sized fishing vessels; and funds to provide fishermen with follow-on support subsidies

7. Other subsidies (11 cases): a deduction from the income accrued from an increased capital; a payment of customs duties by installment; national housing funds; a system of treating all expense accounts on the money spent overseas as a pecuniary loss; funds to support the installation of the facilities to prevent industrial disasters; a reduction of customs duties for the investments made in installing the facilities to prevent environmental pollution; a system to treat the money spent on installing such facilities as a pecuniary loss; an exemption of extra profits tax for real estate properties that turn out to have been damaged by pollution; a system to release or loan out reserved materials; a tax reduction for those enterprises that wish to streamline their industrial structure; and funds to streamline the manufacturing industry, out of the funds to develop the manufacturing industry.

Article Analyzes Unification Minister's Dismissal

SK2102124395 Seoul CHUNGANG ILBO in Korean 21 Feb 95 p 5

[Article by Kim Tu-u]

[FBIS Translated Text] On 21 February, President Kim Yong-sam dismissed Kim Tok, deputy prime minister for national unification, in a blitzkrieg fashion. His measure was a high-powered prescription to extinguish the sparks of "a rumor that there is a plot to postpone the elections of local autonomous governments." His action is construed to mean that the government will conduct such elections, which are slated for 27 June, as scheduled.

The president took such a measure because if such a controversial rumor is not quashed, it may cause a greater sensation and over time it may deal a fatal blow to the moral principle of President Kim.

The Agency for National Security Planning [NSP] had reportedly worked out a document on the need to determine the trend of public opinion on the question of postponing the local autonomous government elections. After such a fact was reported by the media, the NSP claimed on 20 February that the document was part of the agency's routine analytical job, saying: "We tried to find out—from a working-level point of view—the trend of public opinion about the merits and demerits on the postponement of the local autonomous government elections."

The problem is that the general public does not believe the NSP tried to determine the trend of public opinion without keeping political circles in mind.

It is hard for the general public to be convinced, no matter how harshly the government is calling to account the NSP's pertinent working-level officials to control the situation. This is why President Kim took the initiative by calling to account the then NSP director, who would be the focus of the opposition camp's offensive, to calm the public sensation as much as possible.

President Kim is fond of conducting such a kind of personnel reshuffle. Earlier he dismissed former Kyonggi Provincial Governor Kim Yong-son only one day after it was disclosed that the Kyonggi Provincial Government had conducted a survey about those expected to run for the elections of local autonomous governments.

Explaining the dismissal of the deputy prime minister, Yun Yo- chun, a Chongwadae [presidential offices] spokesman, discussed President Kim's intentions in conducting the personnel reshuffle, noting: "It is hard to overlook an attempt to tarnish—by stirring up political trouble—the will of the civilian government to become a politically advanced country by realizing clean politics, and just and aboveboard elections." The key reason for the dismissal of the deputy prime minister was that the president was concerned about the possibility that his moral principle might be tarnished.

According to Chongwadae officials concerned, President Kim has also issued a directive to NSP Director Kwon Yong-hae to conduct a thorough investigation of this incident. Therefore, it will also be inevitable to call to account Chong Hyong-kun, first deputy director of the NSP, who was a pertinent bureau director of the NSP at that time, and a pertinent section chief of the agency.

After the new government was inaugurated, the ruling and opposition parties passed a revised draft bill on the NSP that bans the agency from meddling in political activities. This notwithstanding, such an incident happened. Therefore, it seems that the leadership of the ruling camp may have judged that it will be difficult for it to avoid a misunderstanding by the general public.

Under these circumstances, it is likely that President Kim will reconfirm his position sooner or later by proclaiming that "the elections for the local autonomous governments will be conducted as scheduled." It is probable that President Kim will make his position public on the afternoon of 22 February when he visits the Democratic Liberal Party [DLP] headquarters to preside over an executive committee meeting of the party or, at the latest, when he meets with reporters at Chongwadae on the second anniversary of his inauguration.

Although Chongwadae officials or those in the ruling circles who hold real political power have not yet fine-tuned their position, it seems that they have already decided to change their position on the elections of local autonomous governments as of the morning of 21 February. They maintain that President Kim never said that the government will not conduct the elections for local autonomous governments.

On 21 February, before conducting his personnel reshuffle, President Kim notified his Chief Secretary Han Sung-su and Yi Won-chong, senior presidential secretary for political affairs, of his decision. He also had discussions with DLP Chairman Yi Chun-ku and Prime Minister Yi Hong-ku as well. At 0845 on 21 February, President Kim called spokesman Yun Yo-chun into his office and ordered that the spokesman make public the decision about the personnel reshuffle.

President Kim appointed Na Ung-pae, chairman of the Foreign Affairs-National Unification Committee of the National Assembly, as the new deputy prime minister. This shows that President Kim is maintaining his long-held principle in appointing officials to his new cabinet.

President Kim wants his new cabinet to be made up of members with both professional expertise and administrative experience and who can push ahead with globalization.

If President Kim makes public his position that the government will conduct the elections for local autonomous governments as scheduled, the result will be that the latest public discussions on restructuring administrative districts will have only brought about the side effects of having fanned the public's misgivings about the postponement of the elections of local autonomous governments. Anyway, President Kim seems to be out of good humor in this regard for one reason or another.

Kim Yong-sam Appoints Na Ung-pae Deputy Premier

SK2102003395 Seoul KBS-1 Radio Network in Korean 0023 GMT 21 Feb 95

[FBIS Translated Text] President Kim Yong-sam today dismissed Kim Tok, deputy prime minister for reunification and former director of the Agency for National Security Planning [NSP], in connection with the NSP's survey on the postponement of regional elections. He then appointed Na Ung-pae, chairman of the National Assembly's Foreign Affairs and Reunification Committee, as new deputy prime minister for reunification.

New Deputy Prime Minister Profiled

SK2102085295 Seoul CHUNGANG ILBO in Korean 21 Feb 95 p 4

[Article by Kim Kyo-chun: "Who is New Deputy Prime Minister Na Ung-pae?"]

[FBIS Translated Text] New Deputy Prime Minister Na Ung-pae is an official well versed in economic affairs. He graduated from the Economics Department of Seoul National University Commerce College. He started his career at the Bank of Korea.

He went back to his alma mater some time later to teach. He also studied at Stanford University. He received a doctorate degree in management from the University of California at Berkeley.

He served as managing director and, later, president of Haitai Confectionery Corporation; president of Korea Tire Corporation; president of Aju University; finance minister; commerce minister; deputy prime minister and minister of the Economic Planning Board; chairman of the Taejon Expo Organizing Committee; director of the Democratic Liberal Party [DLP] Policy Coordination Office; director of the DLP National Policy Committee; chairman of the DLP Policy Committee; and lawmaker for the 11th, 12th, 13th, and 14th National Assemblies.

All his jobs were largely related to economic affairs. He has worked in political, government, business, and academic fields.

He also served as secretary general of the ROK-Japan Parliamentarians League and chairman of the ROK-Canada Friendship Society. His appointment as deputy prime minister for reunification is surprising. It is difficult to associate his image with his new job. Nevertheless, President Kim Yong-sam replaced Deputy Prime Minister Kim Tok with him. President Kim has had no special ties with Na Ung-pae. The president and Na Ung-pae met when the president was the executive chairman of the DLP and Na Ung-pae was the director of the DLP Policy Committee. The president had not known him well before then.

The president seems to have appointed him as deputy prime minister considering his character and quality, not his career. He has smoothly served as cabinet minister three times and as lawmaker four times. He always smiles and is frank. He is very logical. Therefore, the president has been "itching" to appoint him to an important post, as former presidents had appointed him to his previous posts. However, some people in political circles say he has been fortunate in job appointments not because he has firm convictions, but because he knows very well what his superiors think.

He once said he had "given up his teaching position at Seoul National University to support his brothers and sisters as the oldest son of six brothers and two sisters." When working at Haitai Confectionery, he traveled to various Southeast Asian countries to sell gums. He says he is "industrious by nature." He loves to sing, even the latest popular songs.

His wife is Pak Hyo-kyun. He has two sons; the first son is working at a commercial bank, and his second is studying in the United States for a doctorate degree. Though Na Ung-pae was born in Seoul, he graduated from middle school and high school in Taejon, making him a "half" Chungchong [Province] man. Therefore, some people say the president appointed him as deputy prime minister to soothe people in Chungchong Province. When his appointment was announced, he was not at his National Assembly office because he had been visiting Malaysia since 17 February at the invitation of the Malaysian king.

Na Stresses N-S Ties Improvement

SK2102120795 Seoul YONHAP in English 1157 GMT 21 Feb 95

[FBIS Transcribed Text] Seoul, Feb. 21 (YONHAP)—Newly appointed Deputy Prime Minister and National Unification Minister Na Ung-pae said Tuesday afternoon he would focus his policy programs on improving inter-Korean relations.

Na, who hurried back home from a tour of Malaysia at the notice of his appointment as the deputy premier, told reporters at the airport: "I will concentrate on improving South-North relations through the resolution of the North Korean nuclear issue and promotion of inter-Korean economic cooperation."

On the nuclear issue, Na said he believes South Korea should play a central role in the delivery of light-water reactors to North Korea and thereby an epochal turning-point should be made in the efforts to improve South-North relations.

What is more important than written inter-Korean agreements is for the two sides to move in a direction that will be helpful to improving their relations, the new deputy premier said.

Presidential Spokesman Comments

SK2102033595 Seoul YONHAP in English 0238 GMT 21 Feb 95

[FBIS Transcribed Text] Seoul, Feb. 21 (YONHAP)—President Kim Yong-sam appointed Tuesday Rep. Na Ung-pae, chairman of the Parliament's Foreign Affairs-National Unification Committee, as the new Deputy Premier and National Unification Minister, replacing Kim Tok who was dismissed for his role, as Agency for National Security Planning (NSP) Director late last year, in the controversial NSP letter concerning the local elections.

Although the NSP clarified that the letter was related to its routine opinion poll on local relations, the distribution of the letter to its provincial chapters cannot be tolerated as it has ignited a hot political issue damaging the civilian government's will to achieve political reforms through clean politics and fair and impartial elections, Presidential Spokesman Yun Yo-chun quoted President Kim as saying.

It is President Kim's unswerving policy that is against the NSP's meddling in politics [as received] and he dismissed Kim Tok to make him assume the moral responsibility for having raised suspicions that the NSP is still intervening in politics, he said.

The president's dismissal of Kim Tok just a day after the letter became politically controversial is taken as his strong will to conduct the upcoming local elections fairly and by the law, without any NSP intervention.

Kim Tok said he tendered his resignation to the president Monday and it had been accepted Tuesday morning. "I thought I must quit, assuming moral responsibility as a public servant, and I'm sorry for all the trouble I caused to the president and the people," he added.

He said he would reveal everything concerning the letter in the parliamentary intelligence committee meeting slated for Thursday.

Incoming Deputy Premier and National Unification Minister Na Ung- pae is a professor-turned politician whose experience includes serving as finance and commerce-industry minister and deputy premier-economic planning minister in the government and policy committee chairman in the ruling Democratic Liberal Party. He was elected to the National Assembly four times in a row from the 11th assembly.

Before entering politics, he taught at Seoul National University and served as chief executive officer and president of Haitai Confectionery Co. and Hanguk Tire Co. He also served as president of Aju University.

Opposition Party Reacts to Move

SK2102025195 Seoul YONHAP in English 0202 GMT 21 Feb 95

[FBIS Transcribed Text] Seoul, Feb. 21 (YONHAP)—The major opposition Democratic Party called the blitzkrieg dismissal Tuesday of Deputy Premier and National Unification Minister Kim Tok "proper and righteous."

But the opposition party at the same time called upon the administration to put an immediate end to intervention in politics by the Agency for National Security Planning (NSP) and to the postponement of the June local elections.

Kim Tok was dismissed as he was head of the NSP when the controversial NSP document, instructing an opinion poll on a delay of the local elections, was issued in November last year.

Democratic Party Spokesman Pak Chi-won said, "The dismissal of Deputy Premier Kim was a proper and righteous step.

"President Kim Yong-sam is urged not to attempt to patch up the incident merely by discharging the then NSP director, but to pledge before the people and government to ban the NSP's intervention in politics.

"We also strongly urge the government and the ruling party not to concoct a scheme to put off the local elections any more, with this incident serving as momentum."

Referring to the appointment of Rep. Na Ung-pae as Kim Tok's replacement, Pak asserted that "this reveals once again the incumbent government's personnel administration is in utter disorder." Na's qualifications are far from those required for a successful execution of unification policy, he pointed out.

'Concern' Over Security Planning Document Rumors

SK2102073795 Seoul YONHAP in English 0723 GMT 21 Feb 95

[FBIS Transcribed Text] Seoul, Feb. 21 (YONHAP)—Public concern is growing over the widespread rumor within the opposition Democratic Party (DP) that DP Lawmaker Kwon No-kap had obtained approval from Kim Tae-chung, chairman of the Peace Foundation for the Asia-Pacific Region, before he exposed the controversial document prepared by the Agency for National Security Planning (NSP).

In the document, the NSP reportedly directed each of its provincial offices to tap the opinion polls seeking to postpone the local elections slated for June 27.

Rep. Kwon said at the DP's Supreme Council meeting Monday that he obtained the NSP document last November and gave it to a certain newspaper. He explained that he asked them to handle it properly if problems arose in the future, but at the time, he didn't think the document would cause problems.

However, some members of the opposition party assumed that Kwon must have discussed with Kim Tae-chung exposing the controversial document to the public last Sunday when he returned from the Philippines where he attended the Asia-Pacific Environmental Conference.

The DP members analyzed that Kwon most likely called on Kim after he arrived at the Kimpo International Airport at 5 P.M., as he returned home at 10 P.M.

They reasoned that in their conversation, the topic of postponing the elections arose, and quite naturally the subject evolved into bringing the NSP document to the public eye.

A party source said that he can guess that Kim, who holds tenacity for the local polls, might have directed Kwon to expose the document, judging that there was an strange air in the government and the ruling party over the issue of postponing the elections.

However, the peace foundation flatly denied "as untrue" the rumor and observation.

Poll: Kim Administration Evaluated 'Favorably'

SK2102101095 Seoul YONHAP in English 0840 GMT 21 Feb 95

[FBIS Transcribed Text] Seoul, Feb. 21 (YONHAP)—The Kim Yong-sam administration has been favorably evaluated by citizens with respect to the implementation of the real-name financial transaction system, the crackdown on corruption and the allaying of political unrest.

On the other hand, citizens cite unstable prices, interrupted reforms and rural problems as areas in which the administration has failed.

These and others were revealed in a nationwide telephone poll of 1,000 males and females, aged 20 years or older, jointly conducted by the Citizens' Alliance for Economic Justice (CAEJ) and the insight research, an opinion surveyor, on Feb. 15 and 16. The influential civic movement body conducted the survey entitled "Evaluation of the Past Two Years of the Kim Administration." President Kim observes the second anniversary of his presidency on February 25.

The outcome of the poll was disclosed Tuesday.

Asked to evaluate the performance of the present government in the past two years, 67.5 percent responded "well done," while 32.5 percent said "poorly done." Measured in points, President Kim scored an average of 65.7 points out of 100.

On "reforms carried out by the civilian government," a majority of the pollees or 51.3 percent opted for "satisfactory," and 48.7 percent "insufficient." The latter group said reforms are urgently needed in the nation's political, educational and economical arenas.

Regarding the meaning of the globalization drive, promoted by the incumbent administration, only 34.3 percent of the pollees responded "I understand." 54 percent of them replied that globalization means "reinforced international competitiveness," 3.8 percent identified it with market opening and 3.2 percent with reformed public consciousness.

Asked to cite tasks considered imperative for globalization, many pollees gave reformed popular consciousness, economic development and reinforced competitiveness of the country. Asked if they think the government's globalization drive is being pushed satisfactorily, 52.2 percent of the surveyed answered affirmatively.

Asked if the nation's economy has been activated thanks to the administration's new economy policy, 49.6 percent of the pollees answered positively. Some 75 percent of the respondents said that prices have spiraled in the past year.

As for social changes since the inauguration of the Kim administration two years ago, 72 percent of the survey cited that labor atmospheres have improved, 66 percent that the public servants have become much kinder, and 59.7 percent that various government restrictions have been eased.

On the other hand, 42.7 percent of them pointed out that bribes are still taken by civil servants, and 67 percent complained that excessive spending and luxurious lifestyles remain unchecked.

The Citizens' Alliance for Economic Justice also carried out a poll of 100 policy researchers of its own on President Kim's 77- point election pledges in ten fields.

Evaluated favorably by the researchers were the implementation of the real-name financial transaction system, efforts for realizing clean politics, land price stabilization and eradication of real estate speculations, the implementation of an administrative revamping, and the promotion of an information-oriented society.

The president's election pledges that were given poor marks were objections to rice imports, the provision of clean water and air, the improvement of educational environments, and the fostering of agricultural and fisheries managers equipped with an international competitive edge.

Defense Minister Yi Yang-ho Interviewed 18 Feb

SK1902072195 Seoul KBS-1 Television Network in Korean 2310 GMT 18 Feb 95

[Interview with ROK Defense Minister Yi Yang-ho by Sin Kwang-sik, KBS commentator; Yi To-hyong, publisher of HANGUK NONDAN; and Chon Chong-hwan, a professor at the National Defense College, at the KBS Television Studio in Seoul—live]

[FBIS Translated Excerpt] [Sin] How are you?

[Minister Yi] Fine. How are you?

[Sin] Thank you for participating in our program. As you well know, North Korea has recorded negative economic growth for several years. Yet despite its serious economic difficulties, especially in foodstuffs and clothing, Pyongyang has continuously and steadily reinforced its military capability. Also, North Korea loudly babbles that they can win victory in a war at any time, using just their conventional weapons. There are now two different views of North Korea's ability to wage war [chonjaeng suhaeng nungnyok]: One is that North Korea has not changed its policy toward South Korea, and has assumed full preparedness to wage war at any time; the other is that North Korea has neither the will nor the ability to wage an attack against South Korea. Defense minister, how do you calculate the real North Korean military threat? If there is a military threat, do you think it possible North Korea will wage war considering North Korea's economic situation?

[Minister Yi] I believe North Korea has assumed a posture of preparedness for war. In assessing the threat of war, we determine if the enemy has the ability and the will to attack. Using this as the criterion, we know that North Korea has a superior military capacity. For example, North Korea has more than 1 million troops and possesses a great many artillery units, missiles, and fighters. Second, as regards its will to attack [konggyok uiji], North Korea has not changed its basic policy toward South Korea, such as the so-called policy of communizing the Korean peninsula. Under such circumstances, Kim Chong-il has recently paid several visits to military units and offered encouragement, even though he barely conducts outside activities. Also, North Korea is agitating [sondong hago] their people and inspiring them to maintain hostile feelings toward the ROK and the United States, saying: Because of the ROK and the United States, we cannot eat, and thus we starve. Because the ROK and the United States are ready for a northward invasion, we must be prepared for it.

Also, the reason North Korea can reinforce its military capacity under such a difficult economic situation is that North Korea uses 27 percent of its gross national product for military purposes, and intensively invests in areas necessary for that purpose due to the independent budget compilation used by the Armed Forces Ministry, which is separate from the government's budget. Second, the cost of producing and operating weapons is cheap. It does not require a considerable amount of money for personnel expenses since North Korea utilizes personnel under the pretext of labor mobilization. Since North Korea employs a distribution system for food, clothing, and housing, it can operate military units with a small amount of money and can continue reinforcing its military capacity. Therefore, the optimistic belief that North Korea has neither the will nor the ability to attack, even though it possesses military superiority and has attempted to develop nuclear weapons, is very dangerous.

If North Korea miscalculates the situation and a serious crisis occurs in maintaining its system, then in light of its past behavior there is a possibility North Korea may attempt an adventurous provocation. Therefore, we must have a thorough sense of national security; in particular, I will work so that the military can continuously strengthen combat readiness in case of emergency.

[Chon] You just mentioned that North Korea has attempted to develop nuclear weapons. I would like to ask a question in connection with North Korea's nuclear development. On 21 October 1994, the United States and North Korea signed the nuclear agreement. Thus, both sides' sincerely implementing the agreement will greatly affect not only the resolution of North Korea's nuclear issue, but also security on the Korean peninsula.

As a result of the off-year elections in the United States held in November 1994, the trend toward conservatism has become comparatively strong. The Republicans seized Congress in a landslide victory. There is even talk of the possibility that the United States may adopt a strong position regarding North Korea. In particular, North Korea is continuing to reject ROK-style light-water reactors, and there is a possibility North Korea might reject or delay the special inspections [tukpyol sachal] that are an inevitable element in removing suspicions over North Korea's nuclear program.

Minister Yi, how do you think the U.S.-DPRK agreement will be implemented? In particular, I cannot eliminate the possibility that, while covertly rejecting special inspections, and while being supplied with heavy oil from the United States as a substitute energy source as well as with light-water reactors, North Korea may be producing nuclear weapons by continuing to carry out its nuclear development. What measures are we taking in regards to this matter?

[Minister Yi] Among the results of the Geneva U.S.-DPRK agreement concluded in October 1994, the first is that North Korea stopped its nuclear development. The problem in the future is whether North Korea will sincerely implement the agreement.

There is a possibility Pyongyang will implement the arrangements agreed upon between the United States and North Korea. This is because North Korea propagandized to its people that the construction of the light-water reactor was a great achievement; in particular, it was highlighted as Kim Chong-il's achievement. Therefore, if it is not implemented, and if light-water reactors are not received, it will prove to be a great burden on North Korea. Moreover, since the supplying of light-water reactors is to be examined at each step before moving to the next, if North Korea does not implement the U.S.-DPRK agreement, then supplying light-water reactors will be impossible.

Moreover, the government will make efforts so that North Korea does not develop nuclear weapons; however, if North Korea develops nuclear weapons despite our efforts, we will bring international pressure to bear on North Korea so that they cannot be used; we will force North Korea to abandon its nuclear weapons; and ultimately, we will move toward an ROK-U.S. combined defense system.

[Publisher Yi] Along with the nuclear issue, one of the matters that greatly interests our people is the so-called peace agreement issue. Our government has been saying for a long time that we are the main body, that since South and North Korea form the main body, we have been making efforts to resolve this issue domestically. However, the Vietnamese war ended against the will of the Vietnamese Government and the result of the 1953 Armistice Agreement was also concluded against our government's will. Therefore, there is great apprehension among the people that, as in the case of the nuclear agreement of October 1994, the peace agreement—which is what North Korea is ultimately aiming for—may be concluded between the United States and North Korea.

During the past 40 years, the armistice agreement was not abided by at all by the North Korean side, but as it is, it played the role of a device deterring war. I believe it was in 1992 when the delegate of the ROK Forces, which was a part of the UN Forces, was appointed as the senior delegate of the Armistice Commission. Since then, North Korea has not been part of the Armistice Commission at Panmunjom. We are in a very difficult situation. We have set up a military mission instead. There are many prior stages, but if North Korea does succeed in concluding the peace agreement with the United States, or if it moves in that direction, what will be our government's fundamental measure?

[Minister Yi] I believe that North Korea's real intention is to, first of all, abolish the armistice agreement system; dissolve the UN Forces Command; withdraw U.S. Forces stationed in the ROK; and, ultimately, dismantle the ROK-U.S. combined defense system. In other words, North Korea's purpose is to eliminate the stumbling blocks in achieving reunification through communization by armed force.

However, since this armistice agreement is a bilateral obligation, no one side can scrap it at one's discretion. Therefore, I believe that concluding the peace agreement with the United States by eliminating the ROK is absolutely impossible.

Currently, there is no change in the basic policy to maintain the armistice agreement under the close cooperative system between the ROK and the United States. Our government's fundamental position is to change to the South-North peace system after restoring trust first based on the South-North basic agreement. Therefore, up until that time, we plan to actively take measures by closely consulting with the United States and the United Nations to maintain the armistice system. [passage omitted on this year's Defense Ministry's policy on efforts to gain the people's trust by stressing discipline and strengthening ROK-U.S. military cooperation]

[Chon] As long as North Korea continues with its hostile policy toward the ROK and as long as the threat of war does not disappear from the Korean peninsula, I believe that it is important and inevitable for the U.S. Forces to continue to be stationed in the ROK. Therefore, it is inevitable for us to share the defense burden corresponding to such a role by the U.S. Forces in the ROK. Our people do not have a correct knowledge and have questions regarding the share of the defense burden. Through this opportunity, could you tell us in detail of the actual conditions of our defense burden sharing?

[Minister Yi] The issue of sharing the defense burden must be thought about on the assumption of the ROK-U.S. security, cooperative relations. For the ROK and the United States to jointly take defensive measures in preparation for North Korea's threat, it is necessary to station an appropriate number of U.S. Forces. Therefore, we must accept that the burden sharing is appropriate for our people.

This year's defense burden sharing is $300 million. This will be used in the personnel expenses of the Korean employees and in the work to increase the combined defense capacity. The deadline of the basis of the agreement on the defense burden sharing which was applied up until now will end late this year. Starting next year, we will share the burden through a new agreement. With regard to the defense burden sharing after 1996, we plan to negotiate with the United States in the future so that we bear a suitable level of burden sharing in line with our national interest at the level of this year's burden sharing, considering possible changes in the scale of the U.S. Forces in the ROK, the rate of price hikes, and the changes in the exchange rate.

[Publisher Yi] The Team Spirit exercise is a very sensitive issue, but I would like to hear your view on this matter. I remember that in 1969, when North Korea's armed threat surfaced to the fore, a large-scale exercise crossing the Pacific Ocean started as a countermeasure. This was an exercise with defense characteristics. However, these days there are some people who are saying that the exercise should not be carried out because it may provoke North Korea. Consultations are being carried out between the ROK and the United States on whether to hold this year's Team Spirit exercise. What is your opinion regarding this matter?

[Minister Yi] The government's policy regarding this year's Team Spirit exercise is that we will prudently examine this matter so that it will be of help in implementing the agreed-upon matters of the U.S.-DPRK agreement. As you just said, the Team Spirit exercise is a purely defensive military exercise. For us, who are maintaining the ROK-U.S. combined defense system, establishing combat readiness is a very important exercise which must be carried out, and the combined exercise itself is in reality a matter of course.

The decision on whether to hold the Team Spirit exercise will be made within this month after detailed consultations are held with the United States and North Korea's process of implementing the agreed-upon matters of the U.S.-DPRK agreement is observed.

[Publisher Yi] I remember that before, our side had invited North Korea to inspect the Team Spirit exercise. If we hold the exercise, will you invite North Korea again?

[Minister Yi] We have invited neutral and communist countries to inspect the exercise in the past. These countries have come and inspected the exercise on various occasions. If we hold the exercise this time, we will invite North Korea to show them that it is a defensive exercise. [passage omitted on recent incidents in the military, strict military training, and the welfare of the military]

Prime Minister Yi Speaks at National Assembly

SK2102042795 Seoul KBS-1 Television Network in Korean 0104 GMT 21 Feb 95

[Excerpt of policy speech by Prime Minister Yi Hong-ku at the National Assembly plenary session, identified by KBS in caption as being "President Kim Yong-sam's Policy Speech read by Prime Minister Yi Hong-ku"—live]

[FBIS Translated Excerpt] [passage omitted] National assemblymen: This year marks the 50th anniversary of national liberation and half a century of national division. Therefore, this year is precisely the time when all of 70 million fellow countrymen should solemnly reflect over the nation's future. That is, this year is an important starting point for us to open an era of unification based on freedom, democracy, and prosperity by pooling together all our wills.

North-South relations, however, remain tense [kyongsaek kungmyon]. The prospect of North Korea actively responding to improving North-South relations is not so bright.

The fact that confrontation and tension between fellow countrymen continues only on the Korean peninsula despite the fact that the whole world has entered a post-Cold War era is indeed regretable and heartwrenching.

We will never cease our efforts to achieve reconciliation and cooperation between the North and the South and, thus, to build the foundation for peaceful unification. The government has already taken some practical measures [silchonjok chochi] in this regard. It has allowed our businessmen to visit North Korea in an effort to invigorate inter-Korean economic cooperation. As a result, a considerable number of our enterprises have already conducted negotiations on economic cooperation with the North Korean side.

Ongoing multilateral contacts and efforts to implement the Geneva agreement between the United States and North Korea have been taking place recently. The issue of providing light-water reactors to North Korea is an important issue which will influence future North- South relations. Accordingly, we have repeatedly declared that we will actively support this as part of the joint plan for national development.

The provision of light-water reactors to North Korea, however, will be carried out in a direction that is conducive to achieving the nation's co-prosperity and to the long-term development of North-South relations. Without our central role, there will be no support for light-water reactors. In particular, in view of the stern reality in which we have to shoulder most of the expenses for providing light-water reactors, the government will firmly adhere to our country's central role in the process of supporting construction of light-water reactors through cooperation with the United States, Japan, and other allies.

The North and the South should make concerted efforts in the rapidly changing world to cope and achieve national welfare and prosperity. The will to sincerely implement even a minor agreement between the North and the South is of utmost importance. The Geneva agreement between the United States and North Korea, the North-South Basic Agreement, and the North-South Joint Declaration of Denuclearization should be implemented without fail.

In the future, the government will also wait for North Korea's opening up with a patient and undaunted attitude and do its best to achieve actual improvements [silchiljok kaeson] in North-South relations. [passage omitted]

Discusses Elections, Reactors

SK2102034395 Seoul YONHAP in English 0140 GMT 21 Feb 95

[FBIS Transcribed Text] Seoul, Feb. 21 (YONHAP)—Prime Minister Yi Hong-ku said Tuesday that his administration will make all preparations for the local elections set for June 27 as provided by the law.

Yi made the point during a report of state affairs before the plenary session of the National Assembly and asserted that the early rooting of the local autonomy system is essential to the country's globalization as well as localization program.

He evaluated that local autonomy will contribute to make the administration hold functions for the people's welfare and benefits, while promoting the dynamic development of each Province on the basis of local residents' participation and creativity.

The prerequisite for the successful rooting of local autonomy is securing fairness and justice, he claimed, saying that the existing law will be strictly applied to those engaged in illegal and corrupt electioneerings regardless of their parties and their ranks and status.

In connection with the supply of light-water nuclear reactors to North Korea, Yi emphasized that there will be no provision of the nuclear reactors unless South Korea plays a central role. "It will proceed in the direction of promoting the common prosperity of Korean people and the long-term development of South-North Korean relations," he said.

Referring to diplomatic policies, he stated that the government is concentrating its diplomatic capabilities on the country's bid to be a non-permanent member to the United Nations Security Council.

He also said the government will make all preparations for the country's admission to the Organization for Economic Cooperation and Development (OECD) by 1996 as originally scheduled.

With respect to educational reforms, he remarked that the government will proceed with the reformative program and that human nature and creativity are respected and the principle of autonomy and competition are well observed.

With respect to economic policies, the prime minister said the government is endeavoring to maintain this year's economic growth rate at seven percent and to stabilize the price increase rate at five percent, so that there would not be overheated business activities.

"The early rooting of a stabilized price structure similar to that of advanced countries is the prerequisite to the nation's sustained economic growth," he remarked.

He then said the administration will positively support the labor-management cooperative relations to restrict the wage increase rate within the scope of industry's productivity growth.

To establish the order of fair trade, he maintained, stricter inspections will be employed against illegal intra-affiliate company trade in large business groups and the unfair subcontractual deals between business firms.

Turning to environmental issues, he said the government will reinforce cooperatative relations with neighboring countries, such as China and Japan, to cope with environmental problems including the pollution of Yellow (West) Sea and acid rain originating from the rapidly industrialized China.

Plan To Restructure BOK System Announced

SK2002102495 Seoul YONHAP in English 0826 GMT 20 Feb 95

[FBIS Transcribed Text] Seoul, Feb. 20 (YONHAP)—The Monetary Board chairman will concurrently serve as governor of the Bank of Korea [BOK], but will be deprived of the supervisory fangs over banks under a plan to restructure the central bank system, Finance and Economy Minister Hong Chae-hyong announced Monday afternoon.

The existing securities and insurance supervisory boards will be merged into the Office of Bank Supervision which will be restructured into a unified supervisory agency for all banking and non-banking financial institutions, independent of the Bank of Korea.

The Monetary Board chairman will be appointed from among its nine members by the president, at the finance and economy minister's recommendation, and will concurrently head the central bank. At present, the finance and economy minister is ex officio chairman of the board.

The nine Monetary Board members include the five recommended by the finance-economy, agriculture-forestry-fisheries, international trade-industry, information-communications and construction- transportation ministers, respectively, one by the vice finance- economy minister and the three recommended by commercial bankers. Their tenure of office will be three years, like that of the chairman, and up to three of them may serve as standing members.

The board will continue to take charge of the central bank's organizational and personnel affairs and will newly assume the responsibility of establishing and revising the central bank's articles of incorporation and appointing its auditor, now on the finance and economy minister's shoulder. But the Finance and Economy Ministry will continue to examine and approve the bank's budget, while discarding its responsibility of inspecting its work regularly.

The proposed financial supervisory agency will oversee not only banks but also such non-banking financial institutions as securities, insurance, investment and finance and merchant banking companies, and its budget will be based on endowments from the government, the Bank of Korea and other financial institutions and its inspection fee income.

The head of this agency will also be appointed by the president at the finance and economy minister's recommendation, and it will have a 12-member board of directors. Its three deputy heads and up to seven assistant heads will be appointed by the finance and economy minister at the head's recommendation and the auditor will be directly chosen by the minister.

The agency will set up a committee of up to 20 members, including the head, the three deputy heads, a finance and economy ministry official and others picked from among banking experts, lawyers and consumer protection specialists referred to by the finance and economy minister. The committee's quorum for making a meeting will be seven to 11, depending on the importance of the matters on the agenda.

An inaugural committee of up to 10 members to be appointed by the finance and economy minister will be set up for the proposed agency, and the committee will have a secretariat staffed with up to 20 working-level officials.

The restructuring plan for the central bank will be put to the National Assembly for its deliberation during the current session and will be put into effect in July if the parliament approves.

BOK Officials Oppose Plans

SK2102042995 Seoul THE KOREA HERALD in English 21 Feb 95 p 8

[FBIS Transcribed Text] The Bank of Korea (BOK) didn't disclose its official stance toward the government-proposed revision bill of the central bank law yesterday, but many BOK officials expressed strong opposition to it.

They charged that if the central bank law were revised according to the government bill, it would further cement BOK's dependence on the government rather than serve the original purpose of guaranteeing the independence of ROK.

The bill not only goes against the tide but ignores the national consensus that now is the time to give the central bank its independence to keep consumer prices and the value of the currency stable and end the decades-old government control of the financial industry, the officials noted.

Under the government bill, it would also be hard to promote the efficiency of monetary policy, or the ultimate goal of giving the central bank its independence, they said.

"The amendment apparently aims at placing the central bank under the control of the government," a senior BOK official said on condition of anonymity. "We don't want such titular independence."

Their opposition centered on two clauses of the government bill, which stipulate that the chairman of the policy-setting Monetary Board of Korea double as the central bank governor and the Office of Bank Supervision (OBS) be separated from the BOK.

The government is apparently trying to relegate the central bank to a mere executive branch of the board by letting the board chairman concurrently serve as the central bank governor, they criticized.

In contrast with the government bill, central bank officials maintained that the governor of the central bank chair the policy- making body to conduct monetary policy independent of the government.

As to the nomination procedures for the central bank governor, the contended that the President appoint the governor recommended by the prime minister, not by the minister of finance and economy.

They further charged that the proposed separation of the bank watchdog from the central bank doesn't make sense.

To conduct monetary policy effectively, the policy-setting body, the central bank and the bank watchdog should be linked closely to one another, they said.

The labor union of the central bank lashed out at the revision bill in a statement yesterday, saying that the government should abandon its bid to wrestle the bank watchdog from the central bank instantly.

It threatened to stage a general strike "it the government assists a group bureaucrats in their attempt to seek the separation of the OBS or resist the independence of the central bank."

Burma

Investment Pact Signed With Marubeni of Japan

BK1702161095 Rangoon Radio Myanmar in Burmese 1330 GMT 17 Feb 95

[FBIS Translated Text] A ceremony to sign a Memorandum of Understanding [MoU] between the Marubeni Corporation of Japan and the Ministry of National Planning and Economic Development on trade and investment cooperation for Myanmar's [Burma] economic development was held at 1200 noon at the Myanmar Investment Commission Office at the corner of Merchant and Shwebontha Roads.

At the ceremony, Minister Brigadier General Abel and Marubeni Corporation Chairman Mr. (Tazo Waruna) signed the MoU.

Mon Resistance Leader To Fight Gas Pipeline

BK1802133995 Bangkok THE NATION in English 18 Feb 95 p A2

[Report by James Fahn on an interview with Nai Shwe Kyin, chairman of the New Mon State Party's Central Committee; place, date not given]

[FBIS Transcribed Text] Tavoy District, Burma—"We are not worried about the gas pipeline," says Nai Shwe Kyin. "Mother Nature will take care of it."

The elderly gentleman's apparent indifference is surprising, since he is the leader of the Mon resistance to Burma's ruling State Law and Order Restoration Council (Slorc), and the pipeline in question is expected to provide Slorc with roughly US$400 million a year for transporting natural gas to Thailand.

But Nai Shwe Kyin is not simply resigning the fate of his struggle to the gods. Rather, he expresses serious concern over the ecological consequences of the pipeline and the impact it could have on nearby villagers.

"Southern Burma is in an earthquake zone. When I was a child, there was a big earthquake here, 8.5 on the Richter scale," claims the 81-year-old resistance leader. "Just recently there was a volcanic eruption in the Andaman Sea.

"Pipeline disasters happen even in developed countries where they have ecological safeguards," he points out.

As proof, he holds up United States newspaper clippings from October of last year. One recounts how several pipelines near Houston, Texas, burst due to flooding, the other reports on a disastrous oil leak in a Russian pipeline.

"What will happen here where we don't even have environmental laws?" asks Nai Shwe Kyin, who officially serves as chairman of the New Mon State Party's (NMSP) Central Committee.

"Once the pipeline bursts, people and forests will be in big trouble. It will be just like the Phetburi road disaster in Bangkok several years ago (when an accident involving a gas truck killed and maimed scores of bystanders)."

The question more often asked of the Mon insurgents is whether they will purposely try to disrupt the pipeline, which is seen as being Slorc's lifeline. Nai Shwe Kyin is cagey on the issue.

"Why talk about blowing up the pipeline? It's no use committing yourself if you do nothing. We have a saying, 'The dog that bites never barks'.

"We are trying to find a non-violent solution. The NMSP and associates will take legal action in the US over the participation of Unocal (a US-based oil firm) in the project.

"It is doing business with an illegitimate government. More than 14 per cent of its shareholders are against the project.

"We are taking similar action in France against Total (another oil firm participating in the project). But we can't do much with (Thailand's) PTT [Petroleum Authority of Thailand]. It is owned by the government."

He urges the Thai government to reconsider its backing of the project. "If it can be deferred until a democratic government is in power, it would benefit both Burma and Thailand," he notes.

Nai Shwe Kyin condemns Thailand's policy of constructive engagement with Burma as "greed". He dismisses the theory that foreign investment will bring economic development, followed by greater political freedom, as an excuse to make "quick profits".

"Burma cannot follow the example of Indonesia because the Burmese military has done away with the middle class whereas Indonesia has not," he explains.

"And constructive engagement won't help create a Burmese middle class unless the economy is opened all the way as in Indonesia. But the Slorc does not dare make the kyat convertible because it has no legitimacy. The ensuing turmoil would cause the people to rise up."

Nai Shwe Kyin claimed that the Mon haven't given up on negotiations with the Slorc—now suspended following three rounds of talks—but he said the Slorc only wants to discuss military matters, not political ones.

"Khin Nyunt (Slorc's secretary number one) wants to negotiate, but the regional commanders do not," he added.

Following the fall of Manerplaw, Nai Shwe Kyin said the National Democratic Front—an alliance of the ethnic insurgents which he currently heads—"will have to be carried around in our backpacks for the moment".

The Mon insurgents have their headquarters in Burma's Tavoy District, not far from where the pipeline is slated to run. Also nearby is the headquarters of the Karen 4th Brigade, currently under assault by Burmese troops.

"The Slorc might attack us because of the pipeline," he agreed. "They are sending reinforcements into the area, perhaps 10,000 troops."

Analysts reckon the Mon National Liberation Army has only about 1,000 troops. Nai Shwe Kyin said they have more, but refused further comment.

"If they attack, we will simply do our best and fight to the last man, just like at Kawmoora."

Karen, Other Refugees Return to Manerplaw

BK1802153695 Rangoon Radio Myanmar in Burmese 1330 GMT 18 Feb 95

[FBIS Translated Text] The Manerplaw region has become a secure and peaceful place since the Democratic Karen Buddhist Organization, the DKBO, has attacked and occupied Manerplaw Camp, the central headquarters of the KNU [Karen National Union], on 27 January. Karen families from villages in the border areas—who fled to a country on the side [Thailand] because of the KNU's influence, control, and strong-arm tactics—and other family members of the national races from the KNU's so-called refugee camps have been continuously returning into our country to settle in the Manerplaw region, which has become a secure and peaceful place.

Up to 12 February, a total of 1,020 family members—55 males and 54 females of 20 households from Phada Village; 28 males and 28 females of 10 households from Aye Wakhe Village; 19 males and 18 females of 14 households from Thabawthaw Village; 26 males and 31 females of 11 households from Phipa-u Hta Village; 105 males and 114 females of 40 households from Hti Kanae Village; 19 males and 18 females of nine households from Noe Ta-o Village; 24 males and 25 females of seven households from Hawhti Paw Kho Village; two males and five females of three households from Ywa Bwet Du Village; 34 males and 45 females of 10 households from Mae Balo Village; five males and three females of two households from Khiluthe Khi Village; 502 males and 518 females of 126 households from 10 villages, including 185 males and 175 females from Thawlehta Village—have returned into the country.

It has been learned that responsible personnel and members of the DKBO warmheartedly welcomed the returnees who are family members of the national races and provided them with food, drinks, health care service, resettlement, and needed assistance.

Karens Withdraw From Kawmura Camp

BK2102044295 Hong Kong AFP in English 0414 GMT 21 Feb 95

[FBIS Transcribed Text] BANGKOK, Feb 21 (AFP)—Karen rebels announced Tuesday they had withdrawn from their stronghold at Kawmoora [Kawmura] on the Thai-Burma border after a two-month siege by Rangoon junta forces.

In a statement received here, the Karen National Union (KNU) said the withdrawal "signalled the abandonment by the KNU of its military-stronghold strategy in favor of mobile guerrilla warfare."

The KNU denied the withdrawal constituted a defeat for its cause, saying it was instead "the next logical step in the reconstruction of the KNU, militarily as well as politically.

Refugees Return From Bangladesh

Returnees for 9 Feb Reported

BK1702142695 Rangoon THE NEW LIGHT OF MYANMAR in English 9 Feb 95 p 7

[FBIS Transcribed Text] A total of 1,627 persons from 313 households arrived at the reception camps from Bangladesh on 3 and 6 February under the agreement reached between Myanmar [Burma] and Bangladesh.

Altogether, 156,036 persons have returned since 22 September 1992.

Returnees for 8 Feb Reported

BK1702161795 Rangoon THE NEW LIGHT OF MYANMAR in English 11 Feb 95 p 7

[FBIS Transcribed Text] A total of 1,009 persons from 184 households arrived back at the reception camp from Bangladesh on 8 February under the agreement reached between Myanmar [Burma] and Bangladesh.

Altogether 157,703 persons of 32,294 households have returned from Bangladesh since 22 September 1992.

Brunei, Malaysia & Singapore

Malaysia

'Fast' Decision on WTO Leadership Urged

BK2002142295 Kuala Lumpur Voice of Malaysia in English 0810 GMT 20 Feb 95

[Station commentary]

[FBIS Transcribed Text] The power struggle over the newly set up World Trade Organization, WTO, continues until today. A new director general was to have been chosen by the end of last week. Yet the impasse continues and this has harmed the credibility of the WTO as an authoritative global trade policeman. Rather than talks as to how to enhance the world trade, members are still locked over the choice of a new leader. Three regional blocs—the Americas, Europe and Asia—are pushing their respective candidates. There is no consensus and neither are any of the candidate showing any sign of backing out.

The new body came into effect 1st January this year to implement a mammoth trade liberalizing accord that has so far done very little. This will surely complicate things as far as running the world body is concerned. As it is now, spearheading the WTO is no small task. By contrast, the WTO faces a heavier workload in the General Agreement on Tariff and Trade, which updates the former. It starts large with more than 30 councils and standing committees—twice as many its predecessor. This implies a good sign for the WTO also aims to put an end to lengthy trade talks which sometimes do not seem to have an end in sight. Whether or not it evolves into a permanent negotiating forum is left to be seen. But the biggest challenge confronting the organization is to set procedures for settling international trade disputes. Ensuring the procedures work and command confidence is crucial to everything.

Also, effective resolution of trade conflicts is important not only for international harmony. It is the most critical and politically sensitive factor underpinning the cohesion of global trade. GATT's record on this course has been mixed. Countries regularly disregarded adverse rulings by dispute panels. In the WTO, the system should be faster, fair and more efficient. This, without doubt, should be the sole responsibility of the more than 120 member countries which means making the WTO work. Ultimately, it is vital the WTO evolves into a centerpiece of a stronger and more cohesive framework for accelerating the liberalization of economies worldwide. But with the power struggle over a leader surrounding the WTO, there is fear that the optimism over the trade body might have been overdone. There is even a feeling that it could have (?bumped) up expectations which may be unrealistic. There is a danger that if they are not fulfilled, some of their achievements might be eroded.

Now, even the WTO's most enthusiastic supporters admit the enterprise involved a big leap of faith among member countries—its rules will depend entirely on its credibility. Its flaw could be debt—it, like GATT, has no powers to force member to adhere to decisions despite the decisions having been rigged through consensus. Its effectiveness, therefore, depends on how members readily cooperate in advancing trade liberalization. But this will not be made easy with the deadlock over a leader for the WTO. The decision must be made fast for it will prove that the world's trading nations can come to a consensus. It will also give some credibility to the WTO—something which it might be in need of badly now.

Involved States 'Seriously Watching' Spratlys

BK1702134095 Kuala Lumpur RTM Television Network 1 in Malay 1200 GMT 17 Feb 95

[FBIS Translated Text] Foreign Minister Datuk Abdullah Ahmad Badawi told journalists in Kuala Lumpur today that Malaysia and Australia are seriously watching the overlapping claims of China and the Philippines on the Mischief Reef located in the South China Sea.

Speaking at the joint news conference after a three-hour talk with his Australian counterpart Gareth Evans at the Foreign Ministry, Datuk Abdullah said it is very important that all states involved in the overlapping claims on the Spratly Islands observe the principles of solving the dispute. One of them is to negotiate and not resort to military force. Another is that any action taken by any state in relation to the claim should not reach a level that threatens regional stability.

The meeting between Gareth Evans and senior officials of the Foreign Ministry also discussed bilateral issues, such as the APEC officials meeting in Osaka, the ASEAN Regional Forum (ARF) and regional security.

Gareth Evan is on three-day visit to Malaysia. He is scheduled to meet Prime Minister Datuk Sri Dr. Mahathir and Deputy Prime Minister Datuk Sri Anwar

Remarks of Australian Foreign Minister Reported

Common Asia-Pacific Identity Seen

BK2002135995 Kuala Lumpur RTM Television Network 1 in Malay 1200 GMT 20 Feb 95

[FBIS Translated Text] The idea of creating a common identity within the Asia-Pacific community can be realized because of the region's stability and security. The Australian foreign minister, Senator Gareth Evans, expressed his confidence that the idea can become a reality even if there are some who are still uncertain.

[Begin Evans recording in English in progress]...emerging new Asia-Pacific community is one of which Australia is unequivocally a part. There has never been much doubt about our comfort with the Pacific part of the equation. But nor can there now be any doubt so far as the Asians side of the equation is concerned. Australians now accept, not grudgingly but enthusiastically, the idea that the East Asian hemisphere is where we must find our security and where we can best guarantee our prosperity. [end recording]

Regional Projects Commended

BK1902090995 Kuala Lumpur Voice of Malaysia in English 0600 GMT 19 Feb 95

[FBIS Transcribed Text] Australia is anticipating more active involvement from its private sector in the Indonesia-Malaysia-Thailand Growth Triangle, IMTGT.

Its Foreign Minister Senator Gareth Evans said he believed that the growth triangle would attract more new commercial and trading investment from Australia. Such regional cooperation would open up new investment activities.

He said this after meeting Chief Minister Dr. Koh Tsu Koon in Penang. Evans said Penang, as a vital and dynamic part of Malaysia, had a lot to offer. It is up to the investors to make active participation in new development as part of the growth triangle. Australian private sector would be able to invest not only in the state but form joint ventures with Malaysian companies to seek opportunities in neighboring countries.

The IMTGT offers great opportunities to Australians to invest in trade, tourism, and industries and other commercial activities.

Ibrahim Praises 'Excellent' Ties With Australia

LD1802182795 Melbourne Radio Australia in English 1700 GMT 18 Feb 95

[FBIS Transcribed Text] The man widely expected to succeed Dr. Mahathir as Malaysia's next prime minister, Deputy Premier Anwar Ibrahim, has described relations between his country and Australia as excellent. Speaking in Kuala Lumpur after talks with Australia's foreign minister, Gareth Evans, Mr. Anwar said he was very pleased with the relationship at all levels. Trevor Watson reports.

[Watson] Once plagued by strong differences over the Australian media's coverage of Malaysia and criticism of Dr. Mahathir by Australian leaders, Anwar Ibrahim now characterizes relations this way.

[Begin Ibrahim recording] I think they're excellent. I mean, (?both) that the bilateral relations, trade, investment, things are going very, very positively and we are very pleased with that. [end recording]

[Watson] Anwar also described the bid by Australia's Transfield Holdings for Malaysia's $2 billion naval patrol boat contract as very impressive and said the company was one of the frontrunners. During his talks with Senator Evans Dr. Mahathir again invited Prime Minister [Paul] Keating to pay an official visit to Malaysia. Mr. Keating cancelled the scheduled trip last year in the wake of the row over his reference to Dr. Mahathir as a recalcitrant. Trevor Watson, Kuala Lumpur.

Singapore

SAF, Australian Defense Agree on Training Site

BK1702153695 Singapore Radio One in English 1100 GMT 17 Feb 95

[FBIS Transcribed Text] The Singapore Armed Forces [SAF] and the Australian Defense Force have signed an agreement for the SAF to train at [name indistinct] training area in Queensland. The signatories were the SAF Chief of Army, Major General Lim Neo Chian, and the visiting Australian chief of general staff, Lieutenant General John Grey.

Mindef [Minister of Defense] said the agreement allows the SAF to conduct unilateral armed trainings until 1999. Mindef added that the agreement will contribute to the professionalism of the SAF by providing additional opportunities. Gen. Grey, who is in Singapore for a three-day official visit, called on the defense and labor minister, Dr. Lee Boon Yang, this morning.

Trade Ties Discussed With Japanese Group

BK1802114595 Singapore THE STRAITS TIMES in English 17 Feb 95 p 1

[Report by Douglas Wong]

[FBIS Transcribed Text] Japan's most influential business organisation Keidanren will help to promote the Singapore-Suzhou township project to its members, which are involved in almost every economic activity in Japan.

If Singapore can provide Keidanren (the Japan Federation of Economic Organisations) with comprehensive information on the project such as land costs and incentives, it will be happy to help publicise it, one of Keidandren vice-chairmen Isao Yonekura told reporters at a press conference yesterday.

Mr. Yonekura, who is also chairman of the Itochu Corporation, is taking part in a top-level Keidanren mission, here first leg of a 12-day tour to Singapore, Thailand and Vietnam.

Keidanren is Japan's most influential business organisation, with membership comprising some 970 corporations and 123 trade and economic associations.

He noted that only a very limited number of people in Japan are now aware of the Singapore-Suzhou township project, in contrast to others such as the Shanghai Pudong and the Dalian developments which have been very well subscribed by Japanese companies.

The 70 sq km township is being developed by a joint venture between a Singapore-led consortium and a Chinese consortium. Currently, two Japanese conglomerates, Mitsubishi Corporation and Mitsui and Co Ltd [Company Limited], have expressed interest in joining the project.

When completed in about 20 years' time at an estimated cost of U.S.$20 billion (S [Singapore] $29 billion) the township is forecast to support a population of 600,000 and provide employment for 360,000.

Mr. Yonekura said Singapore should also go to Japan to publicise the project to Japanese small and medium-sized enterprises, as many of these are now relocating abroad due to the high yen.

Mission leader and Keidanren chairman Shoichiro Toyoda said the Keidanren's support and cooperation in the project was one of the issues at meetings with Prime Minister Goh Chok Tong and Deputy Prime Minister Lee Hsien Loong yesterday.

Other issues raised included trade liberalisation in East Asia and the proposed Europe-Asia summit.

Mr. Toyoda announced that Keidanren will convene a business leaders meeting in October to gather private sector input for the Asia Pacific Economic Cooperation (APEC forum in Osaka in November).

On the Asean-backed East Asia Economic Caucus (EAEC) concept, a Keidanren official said Mr. Goh told the mission members it should not weaken APEC and would be meaningless without the participation of Japan.

While earlier press reports have said that Keidanren supports the EAEC, the official declined to say what its position is now. But on APEC, it stressed that the grouping should remain a non-exclusive one.

Keidanren supports Mr. Goh's proposed first-ever meeting of European and Asian leaders the official said, and if the format includes the private sector, it would be happy to participate.

The 55-member mission also met Senior Minister Lee Kuan Yew and Trade and Industry Minister Yeo Cheow Tong and lunched with Economic Development Board chairman Philip Yeo yesterday.

Besides Mr. Toyoda—who is the board chairman of Toyota Motor Corporation—and Mr. Yonekura, the mission includes NEC Corporation chairman Tadahiro Sekimoto and heads of other leading Japanese banks and companies.

Prime Minister Calls for ASEAN-EU Summit

MS2002112895 London FINANCIAL TIMES in English 18 Feb 95 p 3

[Report by Kieran Cooke, incorporating interview with Singapore prime minister Goh Chok Tong; date not given: "Singapore Looks to Summit With EU"]

[FBIS Transcribed Text] Singapore—Mr Goh Chok Tong, Singapore's prime minister, says a summit between the European Union and the Association of South-East Asian Nations is likely to be held before the end of the year.

Mr Goh said that such a meeting was necessary to avert frictions in trade.

Singapore has been the driving force behind the idea of a EU-Asean summit.

Mr Goh said that the EU and North America already had the machinery in place for settling differences. And the Asia-Pacific Economic Co-operation forum, (Apec) served as a forum for discussions between the countries of east Asia and North America.

"I feel there is a lack of mutual appreciation of each others' aspirations, strengths and weaknesses," he said with regard to Asean countries' relations with the EU.

"We regard the EU as a protectionist block but the French have assured us that it is not we must understand each other more."

"Now we (in Asia) want to close the missing side of the triangle by having a summit with Europe," said Mr Goh. The meeting, which is awaiting formal approval from Asean and European leaders, is likely to be held after an Asean gathering in Bangkok later this year.

Mr Goh confirmed in an interview that Vietnam would join Asean in July. He also said that Burma would be considered for future membership. Singapore, which is the leading investor in Burma, has been promoting what it calls "constructive engagement" with the military regime in Rangoon.

"We still hold the view, shared by more and more people, that the best way to get Burma to return to normalcy in government is through constructive dialogue," said Mr Goh.

The Singapore prime minister said that the recent offensive undertaken by the Burmese military against forces of the Karen minority was an internal problem.

Singapore has been accused of selling large amounts of arms to the Burmese regime.

"Singapore does sell small arms and weapons to other countries," said Mr Goh.

"But there are defence guidelines on this which take into account particular situations in those countries. So do not conclude that we are selling small arms to Burma."

On China, Mr Goh said that while it was impossible to predict political developments, he was confident that the economic changes Beijing had embarked on would stay on course.

"Short of a civil war in China, the country will continue to grow—and we will continue to invest heavily," said Mr Goh.

First Locally Built 'Major Warship' Launches

BK1802134495 Singapore Radio One in English 1100 GMT 18 Feb 95

[FBIS Transcribed Text] Singapore's first major warship, a designed and built locally, was launched today.

Speaking the launch, the deputy prime minister said this new class patrol vessel marks a milestone in the maturing of local technology.

Brigadier General Lee Hsien Loong said 12 such patrol vessels to be built. They replaced the smaller and less well-equipped coastal patrol craft. All the new ships will have advanced communications and electronic warfare equipment—a main gun and surface-to-air missiles for anti-air defense.

Six will also be fitted for anti-submarine warfare.

Cambodia

Khmer Rouge Criticize U.S. General's Visit

BK2002142095 (Clandestine) Radio of the Provisional Government of National Union and National Salvation of Cambodia in Cambodian 1200 GMT 20 Feb 95

[Unattributed commentary: "The United States Dispatches a General to Phnom Penh To Improve the Deteriorating Situation of the Two-Headed Government"]

[FBIS Translated Text] After U.S. Deputy Secretary of State Strobe Talbott left Phnom Penh, the U.S. Administration immediately dispatched General Wayne Downing, special operations commander, to Cambodia. Why did the U.S. Administration so hastily send General Wayne Downing to Cambodia and for what?

When Strobe Talbott was in Phnom Penh he saw for himself that the two-headed government not only has failed economically, financially, and politically but also militarily as well. He realized that the two-headed government is falling into a death position. This is why the U.S. Administration immediately dispatched Wayne Downing to Cambodia to help the two-headed government militarily to extend the latter's life a little longer.

However, various military observers say that the two-headed government is already gasping for air and no one can save it. The good thing for the United States to do is to change its current policy from fueling war in Cambodia and turn instead to contributing to achieve national reconciliation and peace in Cambodia. Only by acting this way can the United States preserve its face and interests in Cambodia and the region.

CPP Communique Stresses Support for Government

BK1802114395 Phnom Penh National Radio of Cambodia Network in Cambodian 1300 GMT 17 Feb 95

["Communique on the 19th Conference of the Central Committee of the Cambodian People's Party"; dated 17 February—read by announcer]

[FBIS Translated Text] In accordance with the statute of the Cambodian People's Party [CPP], the 19th conference of the CPP Central Committee was held for two days, 16 and 17 February 1995, under the chairmanship of Samdech Chea Sim, party chairman; Samdech Heng Samrin, party honorary chairman; and Samdech Hun Sen, party vice chairman.

With a spirit of high responsibility for the supreme interest of the nation and the people, the meeting discussed the state of the party and made various decisions regarding it. On the general situation over the past six months, since the 18th conference of the party Central Committee in August 1994, the meeting noted that in general the situation in the country is still positive and is evolving in accordance with the principles of the Constitution and the political platform of the Royal Government, despite the fact that some difficult and complicated problems remain to be solved.

The atmosphere of solidarity and cooperation among various parties within the Royal Government and the National Assembly is a healthy one. This is a factor which is determining political stability and promoting the country's development.

On the direction and task for the following period, the CPP decided to continue along the direction set by the party Central Committee's 18th meeting. This includes the continued implementation of the CPP political platform, support for the political platform of the Royal Government, and the pledge to resolutely defend the Constitution and thwart any attempts, regardless of their sources and forms, to destroy the current Constitution and the Royal Government.

The CPP continues to strengthen the good cooperation with all political forces, particularly cooperation with its allied party, FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia], headed by Prince Krompreah Norodom Ranariddh, in accordance with the spirit of agreement between the two parties, which will continue until the end of the curent mandate and on into the future.

The meeting extended its warmest, most profound greetings to His Majesty King Norodom Sihanouk of the Kingdom of Cambodia and Queen Norodom Monineat Sihanouk, and wished them good health and energy so that they can remain a cool shade for their children.

The CPP Central Committee appealed to all levels of the party and to the entire party membership to continue holding aloft the spirit of the nation's internal unity and to further consolidate it so as to fully implement the party's political tasks in the new phase and also the Royal Government's political platform under the Constitution. It also appealed to the international community to continue providing assistance and support to the peace process, national reconciliation, rehabilitation and development, and democracy in Cambodia.

Phnom Penh, 17 February 1995

Radio Denounces 'Khmer Rouge'-Style Dissent

BK1802113395 Phnom Penh National Radio of Cambodia Network in Cambodian 1300 GMT 17 Feb 95

[Political commentary: "Those Who Sow the Wind Will Reap a Whirlwind"]

[FBIS Translated Text] From 5 to 8 February, His Excellency Keat Chhon, state minister in charge of rehabilitation and development of Cambodia, minister of economy and finance, and vice chairman of the Cambodian Development Council, went to Canberra, Australia, to take part in high-level talks on development and cooperation between the Royal Government of Cambodia and the Australian Government.

It is worth recalling that Australia is an architect of the Paris agreement on Cambodia and an important country providing aid to rehabilitate and develop our fine Angkor motherland.

In the consultations, the Australian side affirmed its stance that, despite its recent natural disasters, it has pledged to provide 92 million Australian dollars worth of aid over a four-year period, from 1995 to 1998.

Five days later, on 13 February 1995, a similar consultation took place in Phnom Penh between representatives of the Royal Government of Cambodia and the Japanese Government, in which Japan pledged to give $92 million for the rehabilitation and development of three sectors in Cambodia for 1995.

These are efforts of the Royal Government, led by Prince Krompreah First Prime Minister and Second Prime Minister Samdech Hun Sen. This has not only convinced local and foreign investors to do business in Cambodia but has also pleased the governments of friendly countries near and far, particularly the signatories of the Paris agreement and members of the ICORC [International Conference on the Rehabilitation of Cambodia], who are continuing their assistance to the Kingdom of Cambodia to rehabilitate and develop every sector.

The aid from friendly countries near and far and the massive investment have moved our people and made them even more grateful. Our people hope that sooner or later our motherland will blossom and develop.

It is however most regrettable that while the Royal Government has been trying to find all means of attracting local and foreign investors to do business in Cambodia and has requested friendly countries to continue helping with the country's national rehabilitation and construction, the outlawed Khmer Rouge rebels have been seeking all possible means to maneuver, launch harassment attacks, and, in their insanity, burn and destroy paddy, rice, schools, hospitals, railroads, cars, trains, and the offices of some international organizations. Furthermore, when they cannot burn and destroy, these rebels have threatened that they will do this or that to foreigners who are coming to Cambodia with no other intention than to assist Cambodia toward development.

The killings of tourists on Route 4, at Phnum Voar, and on the road to Banteay Srei have shown the perfidious maneuvers of the Khmer Rouge, who are attempting to hinder the development process of the motherland. They do this because the more developed the motherland is, the more the Khmer Rouge will become jungle monkeys whom the people will bury in history's garbage bins.

For this reason, Pol Pot, Ta Mok, and other ringleaders daily think of nothing else but ways of destroying and ruining the nation and the people, regardless of how little they can achieve—just as long as they can manage to do it.

It is all right for the Khmer Rouge, who are rebels, outlawed, and outside society, to do this. They know nothing apart from destroying and inflicting losses. What is strange is that some persons who boast of being patriotic are also playing the Khmer Rouge card. Not only have they done nothing beneficial for the nation, but inside and outside the country they also continue to belittle the Royal Government's activities aimed at serving the nation's interest in order to make investors confused and suspicious of the Royal Government's open-door policy and to make foreign companies, who have already signed contracts to do business in Cambodia, hesitate or worry about the future of their investments. This also make those who plan to do busines in Cambodia retreat and invest in other countries.

In sum, while the Royal Government is working hard day and night to bolster the confidence of investors and friendly countries so as to benefit the country's rehabilitation and development, the outlawed Khmer Rouge rebels and those who use the Khmer Rouge as their political card have tried to find all possible means of hindering and destroying this process. However, the people firmly believe that justice will certainly prevail and that the devil cannot win against God.

The Khmer Rouge are disintegrating in every field. Sooner or later those who play the Khmer Rouge card will be as those who sow the wind and then reap a whirlwind.

Ranariddh on Poor Results in Battambang Amnesty

BK1902120895 Phnom Penh REAKSMEI KAMPUCHEA in Cambodian 19 Feb 95 p 2

[FBIS Translated Text] First Prime Minister Prince Norodom Ranariddh has said: "Battambang, which is the most important medium-size base belonging to the Khmer Rouge [KR], is a region that the group has stubbornly defended. However, since the KR was born there, it should be brought to an end there, too."

The prince issued this statement at the Council of Ministers office on 16 February when asked why has the government's national reconciliation and amnesty policy implemented in Battambang Province had not succeeded significantly as in other provinces, especially the adjoining Siem Reap and Banteay Meanchey Provinces?

Prince Norodom Ranariddh added: Battambang is the biggest economic zone that the KR uses as its major supply base. The province abounds with gem mines and timber with which the group has made its considerable fortune that has been used to build up its forces.

Why has Siem Reap Province gained more successes than its Battambang counterpart? Because General Khan Savoeun was close to the KR at the time of the tripartite coalition government. The KR elements have more confidence in him because they used to know and work with him. The surrender in this province is smoother than in Battambang.

The prince added that even though we were in the tripartite coalition government with the KR, we, the factions of the National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia [FUNCINPEC] and Son Sann, were never allowed to enter and make contact with the group in Battambang. Therefore, it is now very difficult for us to induce them.

Additionally, there are just a few members of the parties of FUNCINPEC and Son Sann in Battambang Province at present. As for the provincial leaders, such as [Governor] Ung Sami, they are also unable to make the KR elements feel confident. This is the cause of the delay in the KR surrender.

Prince Norodom Ranariddh further said that the three factors, political, economic, and psychological, which are the cause of the delay, stemmed from the lack of knowing one another and confidence. He pointed out, however, that restraint in using military force to put pressure on the KR could be a way to solve the KR problem more easily. Frankly speaking, it is impossible for us to use a big part of the national budget in the military sector. The war equipment that just arrived was purchased in mid-1994. This year, we have no plan to buy anything. We are not lavishly using our national budget to make war. Nevertheless, we will allow our Khmer Royal Armed Forces [KRAF] to pressure the KR and ensure the security of the people. And especially, we should put pressure on the guerrillas by using psychological warfare and a national reconciliation policy within the framework of the present Constitution.

Prince Norodom Ranariddh indicated that the KR elements have all disappeared in other provinces, except Battambang. So if correct measures are used to put military pressure on the KR and implement the national reconciliation policy by leaving the door open for them in keeping with the initiative of the king, it will be definitely difficult for Pol Pot to challenge the two important moves. More importantly, we should be confident that the KR will certainly disappear from Battambang Province in the end.

Troops Advancing on KR Anlung Veng Base

BK2002124095 Hong Kong AFP in English 1218 GMT 20 Feb 95

[Report by Kevin Barrington]

[FBIS Transcribed Excerpt] Phnom Penh, Feb 20 (AFP)—Government troops were pushing towards the Khmer Rouge's [KR] Anlung Veng stronghold in northern Cambodia and several sources said the military could be close to taking the rebel base.

"We have advanced to Anlung Veng area and occupied some places," Co-Defence Minister Tie Banh told AFP Monday. He said he would not reveal the government's advance positions because they were a "military secret."

"We must retake Anlung Veng but I don't know when this will happen," he added.

The governor of Siem Reap Province, Toan Chay, told AFP last week that the government had taken many smaller Khmer Rouge positions around Anlung Veng.

A Western diplomat said government troops were advancing from three directions and that he believed they were already in the Anlung Veng area but might not have reached the rebel base itself.

Wounded soldiers in Phnom Penh military hospital also said they were near the base but that the guerrillas had abandoned the area and taken to the hills near the Thai border.

The diplomat and military attaches said the government was keeping its movements well shrouded as news of the advance on the base last year broke weeks before the government managed to capture the area in early February.

The government went on to suffer a humiliating rout when the guerrillas launched a counter-attack three weeks.

The Western diplomat said he believed the military was currently proceeding "inch by inch" and would seize the base soon.

The move on the guerrilla headquarters near the Thai border in Siem Reap province could be easier this time as some 2,000 guerrillas have defected to the government in the province since last year's debacle.

The Khmer Rouge strategy, however, has always been to withdraw in the face of superior numbers, split up into small groups and harass enemy supply lines.

The Western diplomat, however, said he thought the army had learnt "huge lessons" from last year and would not over expose itself this time.

A Western defence attache said he was not so sure.

"We will have to wait for the rainy reason before writing off the Khmer Rouge," he said.

The monsoon favours the fast-moving guerrillas by making it near impossible for the government to move large numbers of men and heavy equipment into remote areas such as Anlung Veng.

But if the government can hold the area it could signal "the end of the guerrilla movement in the next two to four years," the defence attache added.

The fall of Anlung Veng would mean the only remaining Khmer Rouge strongholds were near the Thai border in northwest Battambang province.

The Khmer Rouge have their Pailin financial power-base in Battambang province and the guerrillas there are said to be well paid and well supplied.

They have been adopting a new scorched-earth campaign in Battambang province, attacking villages and razing hundreds of peasant homes. [passage omitted]

Khmer Rouge Claim Battle Victories

Control Pongro Ta Pang Village

BK1802144095 (Clandestine) Radio of the Provisional Government of National Union and National Salvation of Cambodia in Cambodian 1200 GMT 18 Feb 95

[FBIS Translated Excerpt] On the morning of 18 February, our army and people attacked and swept up invading forces of the two-headed puppets along Route 68 from Spean Daeum Thkov near Chong Kal district town to Pongro Ta Pang village, and from Pongro Ta Pang to O Russey. We killed 11 soldiers of the two-headed Division 3, their bodies were left on the road; destroyed drainage pipes and bridges on the road at six places; seized two RPD guns, two RPK guns, three AK's, an AR-15, an M-16, a B-40, a B-67, a 60-mm mortar, two SK rifles, two pistols, 1,000 rounds of AK ammunition, 1,000 rounds of AR-15 ammunition, six M-79 grenades, 10 B-40 rockets, 10 B-67 rockets, and 10 60-mm mortar shells.

We control the entire Pongro Ta Pang village and a 25-km stretch of Route 68. [passage omitted]

Report Success in Preah Vihear

BK2002033495 (Clandestine) Radio of the Provisional Government of National Union and National Salvation of Cambodia in Cambodian 1200 GMT 19 Feb 95

[Unattributed commentary: "Over 500 Two-Headed Government Soldiers Were Killed or Wounded in Just Four or Five Days on the Preah Vihear Battlefield"]

[FBIS Translated Text] Britain's BBC radio reported on 16 February that over the past four or five days more than 500 two-headed government soldiers have been killed or wounded on the Preah Vihear battlefield and that hospitals near Phnom Penh are packed with soldiers killed or wounded by land mines, poison sticks, or starvation. Their howls of pain can be heard everywhere.

In addition to these hundreds of dead or wounded soldiers, trucks, tanks, and armored personnel carriers were destroyed or damaged. Their carcasses are littering the jungle along Route 12. Trucks used to transport forcibly drafted and armed soldiers, militiamen, and villagers were hit by mine explosions along with supply wagons, fuel tankers, and ammunition trucks. The explosions took place every day and night. No vehicles were spared.

In reality, many more than 500 two-headed government soldiers were killed or wounded. Their stinking bodies are rotting in the forest and in jam-packed hospitals. This cannot be hidden or denied. They died from mines, poison sticks, malaria, typhoid fever, and dysentery; from hunger and thirst; from lack of medicine; from the cold and lack of mosquito nets and blankets; and because the people and the National Army of Democratic Kampuchea [NADK] attacked them constantly, day and night, killing them as they moved from one point to another or when they remained in their strongholds.

There were more than 3,000 two-headed government soldiers at the beginning of the offensives in November 1994. After just over three and a half months, only 600 are left. These demoralized soldiers are shaking with fear and hiding in their trenches day and night like mice. Both the chieftains and the rank and file are hiding. Prum Samen [government commander] himself is bawling like a child every day because all transport routes—large and small, new and old—have been cut and they have no food, fuel, or ammunition supplies. They live in constant fear, waiting for their doomsday. Nobody can help them.

This is the result of the strategy of the communist Vietnamese, warmongering U.S.-Australian-French alliance, and the two-headed government. They have attempted to attack and crush the people and forces of Democratic Kampuchea on the Preah Vihear battlefield. They have relied on their money, their tanks, and their big and small firearms. These weapons have been transformed into heaps of scrap iron. U.S., French, and Australian experts provided direct command, but they still suffered losses at the hands of the people and NADK.

The success in striking repeated crushing blows against the enemy offensive on the Preah Vihear battlefield and inflicting heavy casualties has allowed the nation, people, and NADK—both cadres and combatants—to see clearly and gain firm confidence in the effectiveness and strength of the guerrilla and people's war, of the war of minefields and punji stakes, and of the campaign to smash and remove all categories of civilian administrators. This confidence constitutes a mighty force that will help further enhance our fighting activities and make us more vigorous, effective, and resolute in crushing the remaining enemy personnel—completely destroying them down to the last man on the Preah Vihear battlefield, Siem Reap battlefield, Oddar Meanchey battlefield, Battambang-Moung-Pursat battlefield, and all other battlefields.

In dealing with the genocidal communist Vietnamese, the warmongering alliance, and the genocidal Hun Sen-Chea Sim traitors, the people and NADK will remain plucky and maintain a high sense of responsibility for their own lives; their own families; and the lives of the entire nation, people, and race. We will keep fighting resolutely to save ourselves and the nation.

KR Attack Le Duc Anh's Scheduled Visit

BK1902120295 (Clandestine) Radio of the Provisional Government of National Union and National Salvation of Cambodia in Cambodian 1200 GMT 18 Feb 95

[Unattributed commentary]

[FBIS Translated Text] It is reported that the traitorous two-headed government, which has sold Cambodia out to communist Vietnam, has invited Le Duc Anh, the arch communist Vietnamese criminal, to Phnom Penh in the near future.

Commenting on this issue, Phnom Penh residents said they have long been waiting for this opportunity to hack off the head of Le Duc Anh, who is the arch assassin, chieftain of the communist Vietnamese aggressors, mastermind of the military war and demographic war conducted by 4 million Vietnamese in Cambodia, and boss of the traitorous clique led by Hun Sen, Heng Samrin, and Chea Sim since the end of 1978. The people have been waiting for this opportunity because the arch assassin so far has liquidated millions of people. They are resolute in hacking off his head.

It is Le Duc Anh, who has implemented the Indochinese Federation Strategy of the late Ho Chi Minh. He has committed the most heinous crimes and inflicted the greatest disaster on the Cambodian nation and people for more than 16 years.

What is the purpose of Le Duc Anh's trip to Phnom Penh? He will come in his capacity as the boss of the race-exterminating, nation- betraying, and nation-selling clique—with puppets Hun Sen, Chea Sim, Ranariddh, and Sar Kheng as ringleaders—to legitimatize the status of the traitorous clique and provoke it into further betraying the nation and fuelling the race-exterminating war of the Vietnamese aggressors. This is to allow communist Vietnam to inject millions more Vietnamese into Cambodia with a view to swallowing Cambodia as it has done to Kampuchea Kraom.

Le Duc Anh's visit is scheduled at the time when (?the crippled traitorous clique) and hundreds of thousands of communist Vietnamese troops who are commanders in Cambodia have been repeatedly and shamefully defeated by the Cambodian nation and people in the face of the world and the Vietnamese aggressors' history. Communist Vietnam will absolutely be fought against until it is forced to (?agree to) the Paris October 1991 accord.

Le Duc Anh is scheduled to come at a time when the regime of communist Vietnam, the communist Vietnamese puppets, and the traitorous two-headed elements are moving toward a collapse in the guerrilla warfare carried on by our people. Le Duc Anh is currently restless, agitated, and in a bin. He does not know what to do to remedy the agonized situation of the traitorous clique led by Hun Sen, Chea Sim, Ranariddh, and Sar Kheng.

The Phnom Penh residents also said communist Vietnam and the alliance are now at a dead end. They said that the traitors should be put to an end quickly in this new situation. This is to prevent them from further betraying and selling out the nation and exterminating the race. Only by eliminating the traitorous two-headed elements can national reconciliation be achieved and can the nation, people, and race be safeguarded forever.

Indonesia

Taiwanese Official Views Investment Prospects

BK2002135795 Jakarta ANTARA in Indonesian 0951 GMT 20 Feb 95

[FBIS Translated Text] Jakarta, 20 Feb (ANTARA)—Taiwan is directing its investment flow to Indonesia as a major investment destination.

"This commitment will continue to be Taiwan's special concern, and it is imperative that it produce results," said Alexander S. Chen, head of Taiwan's Economic and Trade Representative Office in Indonesia, to ANTARA in Jakarta on Monday.

Chen said there are many positive factors encouraging the Taiwanese Government and businessmen to invest in Indonesia. The Taiwanese Government has a policy of stressing cooperation in all areas with countries in South Asia [as received] or the Go South [two preceding words in English] policy, it also pays attention to cooperation with member countries of APEC [Asia-Pacific Economic Cooperation]

"However, what has encouraged Taiwanese businessmen to invest in Indonesia is the improved investment climate here brought about by the corporate laws and economic deregulation policies," he said.

As for APEC, he described the group as an opportunity for Taiwan to benefit from. He believes that Taiwan's investment in Indonesia will increase after the last APEC meeting. At the end of 1994, Taiwan's investment in Indonesia stood at U.S. $6.89 billion in 357 projects. Chen said that with such investment, Taiwan ranks seventh among 44 foreign investors, who have invested a total of U.S.$101.72 billion.

In line with the increased investment value, Taiwanese businessmen will also invest in more areas of business because APEC has been having a wide ranging impact on all areas of business.

"I believe the service sector will attract more investors, and not only Taiwanese businessmen—other investors are interested in this sector," he said.

However, he cautioned that the commitment by the Taiwanese Government and businessmen will not produce results unless there is a strong determination on the part of the Indonesian business sector to be a reliable business partner. Therefore, it is time for the Indonesian business sector to formulate a common attitude regarding the form of bilateral cooperation to make Taiwanese investment in Indonesia profitable for all parties, including the governments and private sectors of both countries.

Report Views Future ASEAN-APEC Relations

BK1702140695 Jakarta SUARA PEMBARUAN in Indonesian 15 Feb 95 pp 1, 10

[Report by Samuel Pardede; passages in italics published in English]

[FBIS Translated Text] Jakarta—In an attempt to "complete" a study conducted by young diplomats on future relations between ASEAN and APEC [Asia Pacific Economic Cooperation], the Directorate General of the National ASEAN Secretariat of the Department of Foreign Affairs held panel discussions at the end of January titled "The Development of APEC, Its Impact on ASEAN, and Efforts To Benefit From It" attended by a number of economic and international relations experts.

Dr. M. Hadisusatro from the CSIS [Center for Strategic and International Studies], who was the main speaker in the panel discussions, and Prof. Dr. Dorojatun Kuncoro Jakti, dean of the Economic Faculty of the University of Indonesia, considered the study sufficiently valid and descriptive to present the historical development of the forum, which remains informal.

In anticipating the development of APEC and its impact on ASEAN, we feel that we have to *clear* a number of problems first to ensure that future relations between the two will meet our expectations.

Potentials and Discrepancy

As a matter of fact, some observers are worried that the existence and activities of APEC will *dilute* and *swallow* ASEAN activities in view of the potentials, composition, frequency, and intensity of meetings of APEC economic leaders, which are apparently held annually while ASEAN summits are held only every three years.

The reasons and arguments are logical because there are advanced countries (the United States, Japan, Canada, Australia, and New Zealand) and new economic "tigers" (South Korea, Taiwan, Hong Kong, and Singapore) within APEC. Certainly these countries are economically stronger than other APEC members, which include Indonesia, Malaysia, the Philippines, Thailand, Brunei Darussalam, the PRC, Chile, and Mexico.

The different economic potentials could result in a common view that the advanced countries and the new economic "tigers" will benefit more from APEC or come to "steer" ASEAN as they wish.

It is widely known that APEC focuses on three areas: trade liberalization, investment facilities, and cooperation in development. On the other hand, the ASEAN scope of activity is wider.

Despite the Kuching accord, ASEAN member countries have different attitudes and perceptions toward APEC. Each ASEAN member has different national interests. Thus, their respective attitudes toward and level of interest in APEC activities are different.

The differences among the ASEAN members were clearly visible in the attitudes and *reservation* showed by Malaysian Prime Minister Mahathir Mohamed, Thailand, and the Philippines regarding the 15 November 1994 Bogor Declaration.

We note that ASEAN was an important factor in the establishment of APEC in Canberra in 1989 and in its subsequent activities. Without ASEAN's participation, APEC would not have been born. Moreover, the venues of the ministerial and economic leader meetings have alternated between ASEAN and non-ASEAN countries.

Inconsistent

With the Kuching accord, ASEAN member countries actually give priority to cooperation within ASEAN over APEC. What is happening now is that the existence of APEC has caused differences among them. We certainly do not expect the differences to turn into conflicts. ASEAN members, however, need to unify their views on how the Southeast Asian cooperation forum will be able to observe and anticipate the future development of APEC.

What kind of APEC does ASEAN really want? In this context, ASEAN members need to unify their views of APEC and measure the extent of ASEAN ability to influence APEC development. The Kuching accord, which manifests the ASEAN vision of APEC, should be reviewed and improved.

Apparently, the ASEAN members do not subscribe consistently to the contents of the Kuching accord. Does ASEAN consistently regard APEC as an informal consultative forum? Haven't APEC ministerial meetings lately turned into formal meetings with a number of binding decisions?

The settlement of these problems has become urgent, so as to maintain and preserve cohesion among the ASEAN members. In this context, perhaps it would be useful for ASEAN to draw up an agenda for cooperation with the future development of APEC, as suggested by Dr. C.P.F. Luhulima [an academic].

Another problem that should be settled within the APEC context is the membership issue. As frequently reiterated by Foreign Minister Ali Alatas, APEC is not an organization, but an informal consultative forum for economic powers in the Asia-Pacific region.

Being an informal consultative forum, APEC initially did not use the term members, but described those participating in the forum as participants. In the course of its subsequent development, the APEC participants, however, have failed to honor the consensus consistently.

The term members has been used frequently in several APEC documents. Besides, members agreed during the fourth APEC ministerial meeting in Bangkok in 1992 to establish a secretariat in Singapore.

Undemocratic

The development clearly shows the tendency toward the institutionalization and formalization of the consultative forum, and most of the ASEAN member countries seem to accept this. Mahathir is the only ASEAN leader who has fought persistently for the maintenance of APEC as a consultative forum.

From one angle, this development is positive because a secretariat can increase the activities of the forum. On the other hand, those who consider a secretariat the start of institutionalization and formalization will pose several questions. What will be the organizational structure? What are the membership criteria? What about other complicated matters?

We still see APEC as a consultative forum whose participants are not states but economic powers, as cited above. If the institutionalization and formalization occur, membership and membership criteria will become the primary problems.

Some observers have considered APEC to be undemocratic and discriminatory as a consultative forum. This is visible in the treatment of some participants, particularly Taiwan and Hong Kong.

Representatives from those two economic powers cannot be of the same *level* as representatives from the other APEC countries at an APEC ministerial meeting. They are allowed to send only lower-ranking officials. Only senior officials from those two countries are allowed to attend an AELM [APEC Economic Leaders Meeting], while the other APEC participants are heads of state or government, although the AELM is officially outside the APEC framework.

We realize that the situation exists because the PRC "does not recognize" Taiwan and Hong Kong as sovereign states. This fact will justify a "consensus minus X" in the APEC decision making process if *unanimous agreement* is not reached.

According to Dr. Hadisusastro, the problem may become dangerous if it is not settled promptly because the number of X, especially *the least developed countries* may increase.

Non-Binding

Another problem worth our attention is trade liberalization, which is due to be implemented by advanced countries by 2010 and developing countries by 2020. Although President Suharto has frequently asserted that liberalization is not identical with liberalism, the nuances of freedom in the Western philosophy will strongly override it in the future.

There is also a procedural problem. In this case, how strongly can decisions bind the participants? The Malaysian reservation in the Bogor Declaration and the U.S. attitude during discussions on investment prompted questions as to whether APEC decisions will be *binding* or *non-binding*. This should be clarified. Otherwise, another serious problem may arise when a decision may not be implemented or a country/participant will be bound by a decision only if the decision is considered beneficial.

Dr. Hadisusastro said that although the Bogor Declaration contains a timetable for the implementation of *free and open trade*, the APEC economic leaders failed to determine a process for it. Will they implement trade liberalization multilaterally or conduct *unilateral liberalization*?

The Malaysian reservation has indicated that ASEAN members will implement trade liberalization individually. This will be quite different from the ASEAN Free Trade Area [AFTA] which will be realized collectively in 2003.

In this case, there is another question. Why should ASEAN, which has agreed to implement AFTA, express reservation over the concept of *free and open trade* in the Asia-Pacific region? In addition, the term *free and open trade* needs further clarification. Don't ASEAN member countries want *free, open, and just trade* for their common interests, although the term "just" will need further clarification?

Free and open trade will certainly lead to a free competition, but the term *"just"* will enable the implementation of *counter trade* as part of efforts to help developing countries.

Other things that may cause problems within APEC are relations and cooperation between subregional economic arrangements in the region.

There are three subregional economic arrangements—AFTA; NAFTA involving the United States, Canada, and Mexico; and CER [Closer Economic Relations] involving Australia and New Zealand.

Each arrangement must have its own interests. Can there be harmonious cooperation? We are worried that APEC will probably turn from a forum for *economic cooperation* into a forum for *economic competition* if each subregional arrangement works independently. Eventually this will be to the detriment of developing countries.

Official Explains Navy Patrols Around Islands

BK1802111695 Jakarta ANTARA in Indonesian 1807 GMT 17 Feb 95

[FBIS Transcribed Excerpt] Jakarta, 17 Feb (ANTARA)—The head of the Indonesian Navy information unit, Colonel Totok Murdho K. Laksito, said that there is joint cooperation between Indonesia and Malaysia in naval patrolling activities in waters around the Sipadan and Ligitan islands. This is because the two governments have agreed that the "status quo" should be maintained on the two islands.

"We have always observed the "status quo", so there is nothing wrong if Indonesian Navy patrol boats are often seen passing by the Sipadan and Ligitan islands. The two islands are very close to Indonesian territorial waters, he told ANTARA News Agency staff at a function for the breaking of a fast in Jakarta yesterday.

Col. Totok said it was a logical thing for Indonesian patrol boats to pass around the disputed Sipadan and

Ligitan Islands regularly because, geographically, they are located on the northern latitude of Indonesian territorial waters.

"Therefore if there is any report saying that Navy patrol boats have been used to help big ships navigate through the waters around the disputed islands, it is just routine and should not be interpreted as something else. This is because the Navy's warships that patrol the area are all large vessels," he said. [passage omitted]

Military Chief Views Spratly Islands Dispute

BK2002135195 Jakarta Radio Republik Indonesia Network in Indonesian 1200 GMT 20 Feb 95

[FBIS Translated Text] ABRI [Indonesian Armed Forces] Commander General Feisal Tanjung says whatever happens in the South China Sea regarding the Spratly Islands dispute between the Philippines and the PRC, ABRI is ready to face any eventuality if the dispute has any impact on Indonesia's sovereignty. Speaking at a hearing with parliament's Commission I [Roman numeral one] chaired by B.N. Marbun today, Gen. Feisal said ABRI is always ready to cope with any outcome of the dispute despite its limited budget.

Gen. Feisal said that during his recent visit to Beijing, he was told by his PRC counterpart that the PRC would like to settle the dispute in a peaceful way. As for the dispute with Malaysia regarding Sipadan and Ligitan Islands, Gen. Feisal said ABRI is still conducting patrols near the two islands located in East Kalimantan. He said both ABRI and the Malaysian Armed Forces agree that the dispute must be solved through negotiations.

FROM PIJAR), the Kalyanamitra women's group's MITRA tabloid, and KOMPAK and BINA DARMA, two publications of the Bina Darma foundation based in Salatiga, Central Java.

According to AJI, a BAKIN letter to the police chief said the publications were illegal and should be investigated thoroughly.

The five are underground publications that do not have government permits. AJI revamped its newsletter into the 24-page INDEPENDENT underground magazine in January.

The Pijar foundation, the Kalyanamitra women's group and the Bina Darma foundation are non-governmental human rights groups that have been critical of the government and which did not seek permits for their publications as they apparently did not expect to receive them.

The publications are mostly internal magazines but are widely circulated because of their contents dealing with human rights in Indonesia.

In January, the INDEPENDENT revealed the stakes Information Minister Harmoko and his family own in 32 local media organisations, 24 of which it said were acquired after he became minister in 1983.

Another example of government pressure, AJI said, was the information minister's comment in a February 9 National Press Day speech that "a young journalist is defaming Indonesia abroad."

AJI said that although the journalist was not identified, the comment was a clear reference to an AJI member who attended the Asia Pacific Media Conference held by

General Briefs on East Timor Shooting Incident

BK2002115695 Jakarta ANTARA in Indonesian 0846 GMT 20 Feb 95

[FBIS Translated Text] Jakarta, 20 Feb (ANTARA)—ABRI [Indonesian Armed Forces] Commander General Feisal Tanjung says four of the six persons shot dead in the 12 January Liquisa incident are civilians, who were trained by the East Timor GKP [Security Disturbance Movement]. The two others are GPK members and the six were shot dead in an exchange of fire with security authorities, said the ABRI commander at a hearing with parliament's Commission I chaired by B.N. Marbun, commission vice chairman, in Jakarta on Monday.

"The four persons suspected of being guides are indeed civilians recruited by the GPK. Therefore, they are indeed GPK men and the six died in an exchange of fire with the authorities," he stressed.

Earlier, various foreign reports said the six were civilians who were murdered by armed security personnel.

The ABRI commander quoted Colonel Kiki Syahnakri, commander of the 164th Wira Dharma Military Resort Command, as saying that four men were earlier arrested on 10 January and found to be in charge of collecting logistic support from GPK supporters.

It was learned from the four men that the GPK had built up their force with 45 men and 42 rifles since 5 January at Fatuwuo Village, Maubara Subdistrict, Liquisa District.

"On 10 January, the intelligence team arrested four men suspected of involvement with the GPK. It was learned after interrogation that there were 45 GPK men with 42 rifles gathering at Fatuwuo Village since 5 January. The four men were assigned to collect logistic support from GPK supporters," said the ABRI commander.

Based on the information, there was an exchange of fire on 12 January between the mobile intelligence team attached to the 1638th Regional District Command and 10 GPK members armed with four rifles at Fatuwuo Village, Maubara Subdistrict, Liquisa District.

"On 12 January, an exchange of fire with 10 GPK men armed with four rifles took place following the information given by the four suspects," said the ABRI commander, quoting Col. Kiki Syahnakri.

"The outcome of the fire fight was that two GPK men were shot dead, while one ABRI personnel was shot in the chest and slashed in the back with a sharp weapon," he said.

During the exchange of fire, the four managed to escape and joined the GPK.

"However, during mopping-up operations in the area, the four were shot dead," said the ABRI commander, who was flanked by the chiefs of the four services during the parliamentary hearing.

Gen. Feisal said the presence of GPK members in the area was planned as a starting point to attack the town of Liquisa.

"They planned to attack Liquisa but the timing was not decided yet," he said.

Therefore, if action had not been taken in Liquisa District, the GPK might have used the area as a base for mass mobilization. Liquisa is a district located very close to Dili. This proximity is also another factor why the GPK selected Liquisa as its base because foreign tourists or "those who claim to be tourists" can easily gain access to any news from Liquisa.

The decision by the military district command to dispatch an intelligence team to the area was a correct one. Besides, public participation in reporting GPK activities to the authorities is highly appreciated. "People always report GPK activities to us," said Gen. Feisal.

Human Rights Commission To Counter Criticism

BK1802143995 Jakarta ANTARA in Indonesian 0905 GMT 18 Feb 95

[FBIS Translated Excerpt] Dili, 18 Feb (ANTARA)—The National Commission on Human Rights has suggested that the Indonesian Government set up an efficient information and communications management system to counter negative remarks made by outsiders concerning the implementation of human rights in East Timor province.

"Many matters regarding human rights violations in Indonesia have been brought up due to a lack of information. There would be no accusations of any violations if the management of information dissemination were improved," Marzuki Darusman, deputy chairman of the National Commission on Human Rights, said in Dili on Saturday.

Marzuki said the United Nations had concluded that any implementation of human rights in East Timor could have been established if there had been a smooth flow of information and a proper communications system.

Noting the lack of a proper information management system, Marzuki said the commission's members did not often receive information on the implementation of human rights in Indonesia and the government does not know about it either.

"Actually, there are many matters relating to human rights that were highlighted by the UN Commission on Human Rights that could have been clarified and settled if there had been a smooth flow of information and efficient communications," Marzuki stressed.

He is in Dili together with the commission's team members, who are carrying out investigations into the murder of six East Tiomorese on 12 January, an incident which received sharp criticism from abroad in connection with human rights violations in East Timor.

He said that, based on his observations after participating in the UN conference on human rights every year, there is clearly still relatively widespread criticism of human rights violations in Indonesia.

Marzuki said Indonesia's explanations of any human rights violations could be promptly conveyed overseas—especially to the UN Commission on Human Rights—once information from East Timor were received through an advanced communications system. [passage omitted]

Official: East Timor 'Needs' Military Presence

BK1702163095 Jakarta Radio Republik Indonesia Network in Indonesian 1500 GMT 17 Feb 95

[FBIS Translated Text] East Timor still needs the presence of ABRI [Indonesian Armed Forces] personnel to help accelerate the province's integration process into Indonesia. Speaking to reporters at the Foreign Affairs Department in Jakarta today, (Antonio Freidos Parada), chairman of East Timor Regional Legislative Assembly, said a lot of progress has been achieved in East Timor, thanks to close interaction between ABRI personnel and the East Timorese people, including the local people's mastery of the Indonesian language. The East Timorese should realize that since they decided to integrate into Indonesia, their standard of living is better than when they were still under the Portuguese colonialists.

Commenting on Portugal's lawsuit against Australia on the Timor Gap accord, (Antonio Freidos Parada) said the East Timor Regional Legislative Assembly had sent a letter to the Foreign Affairs Department in Jakarta, questioning Portugal's claim to be the administrative ruler of East Timor. He also requested that the Foreign Affairs Department forward the letter to the UN secretary general, the Australian Government, European Union countries, and the president of European Parliament. The East Timorese people also want to demand compensation from Portugal for what that country did done during its colonial occupation of 450 years.

Major General Views East Timorese Situation

BK1702162895 Jakarta KOMPAS in Indonesian 17 Feb 95 p 5

[FBIS Translated Excerpt] Jakarta, KOMPAS—Major General Muhammad Ma'aruf, ABRI [Indonesian Armed Forces] chief of staff for social and political affairs, believes it is necessary at this stage for the government to remind the East Timorese people of the importance of development programs for them. It must be admitted that there are still some who do not wish to see East Timor progress, and they always try to instigate anti-government sentiment among the local people.

This was stated by Ma'aruf in the presence of Brigadier General Syarwan Hamid, chief of ABRI Information Service, at a press conference in Jakarta on 16 February. He also disclosed the return to Jakarta by an ABRI fact-finding team led by Brig. Gen. Sumarna to investigate the 12 January incident in Liquisa. He asked reporters to wait a while for disclosure of the outcome of the investigation.

At the press conference, Ma'aruf said the government should not rely only on the security approach in coping with the situation in East Timor. Development programs in East Timor must be suited to the local culture. "We must remember that even though development efforts have shown visible fruit since integration of East Timor with Indonesia, the province is still backward compared to others. Therefore, the government wants to carry out comprehensive development programs in the land colonized by Portugal for 450 years," he said.

To ensure the success of development, stability in the province is needed. Unfortunately, there are GPK [Security Disturbance Movement] remnants and they continue to disturb the peace in some places. "As an example, when the government wanted to build a sugar factory in the province GPK members harassed the survey team, despite the government's intention of improving the people's welfare," he said. [passage omitted]

Prosecutor's Office Bans Activities of IAI

BK1702122195 Jakarta Radio Republik Indonesia Network in Indonesian 1000 GMT 17 Feb 95

[FBIS Translated Text] The Public Prosecutor's Office in Purwokerto, Central Java, in decision No. 01/95, has officially banned the activities of the Islamic Apostolic Institute [IAI] and its followers because it has been proved that its teachings may cause discord among Muslims.

Speaking to reporters in Semarang, Hari Murjono, head of Central Java Public Prosecutor's Office, said the propagation and dissemination of the sect's teachings run counter to the Pancasila state ideology and may undermine national unity and integrity. The ban against the deviationist sect is also supported by the Banyumas chapter of the Indonesian Council of Ulemas. Hari Murjono said those who still practice the teachings will face legal action in accordance with existing laws.

Laos

Joint MIA Search Missions With U.S. Reported

Surveys, Excavations Successful

BK1702141695 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 17 Feb 95

[FBIS Translated Text] Implementing the 1995 joint Lao-U.S. cooperation plan on conducting search operations for remains of Americans missing during the war in Laos, survey and excavation missions were carried out from 11 January to 9 February 1995. During the joint operations, Lao and U.S. technical authorities were divided into four groups—the first two groups carrying out missions in Kham District, Xieng Khouang Province, and the other two in three southern provinces of Khammouane, Savannakhet, and Saravane. The outcome of the survey and excavation operations is as follows:

The operations were carried out for 21 days to cover 31 out of (?37) cases. Out these, three cases were recommended for excavation and nine others for future survey. [Words indistinct] the missions were successfully carried out to the satisfaction of the U.S. side.

In the excavation at Ban (?Phenlat) village, Kham District, Xieng Khouang Province, nine (?dental pieces) were recovered together with some personal belongings of a pilot. The excavation site was an area where a U.S. bomber was shot down on 9 September 1968. The pilot of the plane was Major (?Jerry Sitton). The second spot (?of excavation) was at Ban Pan village, Kham District, Xieng Khouang Province. Ten pieces of bones were recovered together with some personal belongings. A U.S. plane was shot down at this site on 5 December 1969. The pilots of the aircraft were Captain (?Larson) and First Lieutenant (?Peter Elie).

The joint Lao-U.S. cooperation in carrying out operations to survey and search for the remains of Americans missing in Laos once again shows the humanitarian gesture and sincerity of the Lao Government and multiethnic people who still continue to be maimed by unexploded U.S. bombs dropped during the war.

Remains of 'Pilots' Found

BK2002090295 Vientiane KPL in English 0918 GMT 18 Feb 95

[FBIS Transcribed Text] Vientiane, February 18 (KPL)-—Lao and American technicians were satisfied with the outcome of the third joint survey and excavation operations for the remains of the American missing in action (MIA) during the Indochina war. The operations were conducted between January 11 to February 9 in Xieng Khouang, Khammouane, Savannakhet and Saravane Provinces.

They splitted into four teams. Two teams operated in Kham District of the northern Xieng Khouang Province and the other two in the central provinces of Khammouane and Savannakhet and the southern province of Saravane.

During the 21-day operations, they fulfilled 31 cases out of the total 37 cases.

Specially, during the operations as well as during the previous ones conducted at Phathi site, three Vietnamese witnesses were introduced to Laos to locate the crash site of 0339 at Katok village, Boualapha District, Khammouane Province.

At the excavation site at Thenlat, Kham District, Xieng Khouang Province, the operations detected nine teeth and some personal effects of the pilot. The Thenlat site is the place where an American bomber A-1 H controlled by Major Charles F. Kuhlmann was downed on September 22, 1968.

At the crash site at Ban village, also in Kham District, the teams found 10 pieces of bones and some personal effects of the pilots of a warplane F-4E which was shot down on December 5, 1969. The pilots were claimed to be Captain John C. Clark III and First Lieutenant Patrick K. Harrold.

The Lao-American joint operations in Laos is a humanitarian and sincere gesture of the Lao Government as well as of the Lao ethnic people. However, Lao people in some places of the country are still affected by unexploded ordnance left over from the war.

U.S. Bomblets From War Still Claim Victims

BK1702053995 Bangkok THE NATION in English 17 Feb 95 p A4

[FBIS Transcribed Text] Phonsavan, Laos—One sunny morning last month, 16-year-old Pheng, her younger brother and her husband, De, were out planting corn in Nong Nha Ma village, 11 kilometre from the capital of Xieng Khouang province when the peace was suddenly shattered by a explosion.

A small bomb the size of a tennis ball exploded when the 11-year- old boy jabbed the ground with his planting stick, ripping open his hand and legs.

Shrapnel hit Pheng's upper arm and grazed her forehead and chest. She survived but he brother was dead an hour after the explosion—the latest victim of the United States' "secret war" in Laos.

Recalling the tragedy, Pheng said "We know many people have been killed by the 'bombies' especially children. I had just warned my brother not to poke the ground in that corner of the field and to come over to where we were working instead".

Her warning came too late, and the force of the explosion which killed her brother threw her into the air. Pheng had been 30 metres from the bomb, her husband, who was farther away, was uninjured.

Although the Indochinese war ended 20 years ago, unexploded American mines are still killing and maiming children in remote corners of Laos.

"An average of 20 children a year are killed by these bomblets or 'bombies' as the Laotians call them," said Phoumi Thiphavon, governor of Xieng Khouang province. Over a million of these anti- personnel mines reportedly lie scattered and partially buried in this remote northeastern province.

Xieng Khouang province covers an area of over 7,600 square miles, stretching from the border of Vietnam in the north to the edges of the Mekong valley in the south. In the province's centre lies the picturesque Plain of Jars—seat of a forgotten ancient Mon-Khmer civilization.

This rich and beautiful area of soaring mountains, thick forest, and fertile valleys, has a fresh, cool climate and sustains a thriving Laotian community with a recorded history of 700 years.

American's "secret war" of massive bombing in Laos began in May 1964 as a gruesome and less-publicized sideshow to the war in neighbouring Vietnam. By September 1969 over 150,000 tons of bombs had been dropped on Xieng Khouang province.

"It was the most heavily-bombed area on earth," said Roger Rumph, leader of the Mennonite Central Committee, an American Church group helping to clear the bombs in Xieng Khouang.

By the end of the war everything in the province was destroyed—structures and sites you see in Xieng Khouang today are no more than 20 years old, said Rumph.

"Every eight minutes a planeload of bombs was dropped on Xieng Khouang, and this went on for nine years," Rumph added. In Khan Khai, the old Pathet Lao headquarters, a barren plain of broken bricks stretches as far as the eye can see, testimony to the devastation of a once thriving town.

Farmland and orchards were completely destroyed, and livestock and people were decimated by the bombs. The population fled to the forests and lived in holes and underground tunnels.

To ensure continued destruction of the people's morale, bright- coloured bomblets were scattered over the province as a "delayed action". Nicknamed "guavas, oranges and pineapples," these bomblets were designed to attract and maim children, Mennonite leader Rumph said.

They were dropped from two-metre long canisters, each containing 670 bomblets. From the number of canister shells found in the province today, it can be deducted that over a million bomblets were scattered all over the province.

Dropped more than 20 years ago, many of the bomblets have now sunk below the ground making ploughing and building impossible.

The Mennonite Central Committee, in conjunction with the Mines Advisory Group (Mag), a British humanitarian agency, launched a project in 1994 to remove these deadly bombs.

"Up to now, the US government has not contributed one cent, nor do they admit responsibility for this atrocious and terrible act against the Lao people," said Rumph.

"At the rate we are going with our limited resources, we may be here 100 years and still not have removed all the bombs."

In an interview with THE NATION, Governor Phoumi Thiphavon said three tons of bombs were dropped per person during the war, at least 30,000 people died and many more were wounded by the American bombing which also destroyed all buildings and paddy fields. Out of 370,000 cattle only 1,500 were left after the war.

"Life was risky then, we had to live in caves and holes under ground. Now, because of the unexploded bombies, life is still risky," said the governor.

"We cannot develop the province at all—we cannot plough the land and we cannot put up any buildings."

As the champion of democracy and human rights, the US government should own up to its responsibility and come to Laos to clear all the bombs and heal the wounds of war, Phoumi said.

"In 1992 I met the American ambassador in Vientiane and raised the question of the bombies in Xieng Khouang, but instead of answering he asked me about American servicemen MIA (missing in action) in northern Laos."

President Makes Official Visit to Thailand

Visits Vocational Center

BK1702135395 Vientiane Vitthayou Hengsat Radio Network in Lao 0500 GMT 17 Feb 95

[FBIS Translated Text] Yesterday morning, His Excellency [H.E.] Nouhak Phoumsavan, president of the Lao People's Democratic Republic [LPDR], left Borom Phiman Throne Hall in Bangkok to visit the vocational training center at Bang Sai in Ayutthaya Province.

Upon arrival, Nouhak was warmly welcomed by H.E. Thanin Kraiwichian, member of the Privy Council and vice chairman of the Supplementary Vocational Promotion Foundation; Banchong Kampayarut, governor of Ayutthaya Province; several high-ranking officials; and local residents.

Nouhak viewed the production of many kinds of handicrafts and saw a video tape on various center activities. The center was founded by and remains under the patronage of Queen Sirikit. Before returning to Bangkok by boat, Nouhak exchanged gifts with Thanin and his wife.

That evening, Nouhak and his wife hosted a banquet in honor of King Phumiphon and Queen Sirikit at the Sala Sahathai Samakhom pavilion on the grounds of the Grand Palace. In attendance were members of the royal family, several high-ranking Thai officials, members of the diplomatic corps, and representatives of international organizations.

Visits Chiang Rai Province

BK1902135595 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 18 Feb 95

[FBIS Translated Excerpt] His Excellency Nouhak Phoumsavan, president of the Lao People's Democratic

Republic, and his wife visited Wat Phra Sing Woramahawihan in Chiang Mai Province at 0830 today before visiting the Chiang Rai Province. The people of Chiang Mai held a basi ceremony as a gesture of blessings for visiting H.E. Nouhak Phoumsavan and his wife.

At 1015 today, H.E. Nouhak Phoumsavan and his wife left for a visit to Chiang Rai Province. H.E. Nouhak Phoumsavan and his wife, and Her Royal Highness [H.R.H.] Princess Maha Chakkri Sirinthon, who accompanied the Lao guests, were welcomed at the Chiang Rai airport by the provincial governor and his wife, high-ranking officials, and Chiang Rai residents.

At 1330, Princess Maha Chakkri Sirinthon accompanied H.E. Nouhak Phoumsavan and his wife to visit the royally-initiated Doi Tung Development Project, which is 55 kilometers from the airport. They were welcomed by M.R. Ditsanatda. After that, they visited a garden of the H.R.H. Princess Mother. The Lao couple were then escorted to observe natural scenery, a coffee plantation and processing, a greenhouse, and the royal residence of H.R.H Princess Mother at Doi Tung Palace.

At 1930, the Chiang Rai governor and his wife hosted a dinner in honor of H.E. the Lao president and his wife. [passage omitted]

Concludes Visit

BK2002064895 Vientiane Vitthayou Hengsat Radio Network in Lao 0500 GMT 20 Feb 95

[FBIS Translated Text] After concluding an official visit to the Kingdom of Thailand from 14 to 19 February as the guest of His Majesty King Phumiphon Adunyadet and her majesty the queen of the Kingdom of Thailand, His Excellency [H.E.] President Nouhak Phoumsavan, his wife, and entourage were welcomed home at a grand ceremony at the National Assembly Hall in the capital, Vientiane, at 1800 yesterday. In attendance were Prime Minister Khamtai Siphandon, Deputy Prime Minister Khamphoui Keoboualapha, ministers, deputy ministers, high-ranking military officers, senior officials, and senior staff members of the Embassy of the Kingdom of Thailand.

After bidding farewell to His Majesty King Phumiphon Adunyadet of the Kingdom of Thailand at Don Muang military airfield, H.E. President Nouhak Phoumsavan and his wife, accompanied by Her Royal Highness Princess Maha Chakkri Sirinthon, left Bangkok for a visit to Chiang Mai and Chiang Rai Provinces. Upon arriving in northern Thailand, the president visited the Huai Hong Khrai Development Center in Doi Saket District of Chiang Mai Province, operated under the royal patronage of his majesty the king. The center has been set up to study the watershed in the area to serve agricultural production. He later visited the Doi Tung Development Project in Chiang Rai Province, under the patronage of the princess mother.

On the afternoon of 19 February, H.E. President Nouhak Phoumsavan left Chiang Mai for Khon Kaen Province to visit an animal disease research center. He then left Khon Kaen for Nong Khai Province. Before crossing the border from Nong Khai Province back into Laos, H.E. Nouhak Phoumsavan and his wife expressed thanks and bade farewell to General Athit Kamlang-ek and his wife, the governor of Nong Khai Province and his wife, many senior provincial authorities, and a large number of local residents who turned out to see off the Lao delegation.

During their stay in Thailand, H.E. President Nouhak Phoumsavan and his wife were accorded a warm and grand welcome wherever they visited.

Results of Economic Reforms Examined

BK1602075795 Bangkok THE NATION in English 16 Feb 95 p B3

[Report by Patcharee Luengthai in Laos]

[FBIS Transcribed Text] In 1986, the government of the Lao People's Democratic Republic (PRD) initiated a programme of structural reforms collectively known as the "New Economic Mechanism", to transform the economy of Lao PRD from a centrally planned economy into a market-oriented one.

Currently, Laos is in the last year of the third national economic development plan (1995). Although its foreign earning previously depended almost entirely on the export of electricity and sales of flyover rights to foreign airlines, the Lao Government now encourages foreign investors to use the country as a production base for industrial goods for the Indochina market, including southern China.

Since Laos announced its Investment Law in 1988, there have been 540 projects generated from foreign investment, with total investment cost of Bt[baht]1.1 billion. Thailand is the biggest investor in Laos.

Laos, however, needs to allocate projects to other countries. Meanwhile it intends to strengthen its industries to replace imported goods and also boost foreign earnings by exporting to the neighbouring countries.

The Lao Government recognizes the need to accelerate improvements of its infrastructure and legal reform involving business activities. The government has sought soft loans from the Asian Development Bank (ADB) and World Bank for projects including human resources development.

The soft loan from ADB will be channelled into telecommunications roads, forests, a hydro-power plant, water supply and airport improvement nationwide, while the World Bank's soft loan will be used for health care, education, agriculture and economic structural reform.

Boualai Souk-aloun, assistant minister of the Communication, Transport, Post and Construction Ministry, disclosed that ADB has given a soft loan totalling US$135 million for the six infrastructure projects and is to sign another US$40 million loan with the Lao Government for improving a 200-kilometre road from Chong Mek to Wan Kham (Cambodian border area). The Lao Government also plans to seek a US$30 million loan from ADB to improve 200 kilometres to Xiang Khouang, the connecting route in Laos to the border of Vietnam.

It is a 40-year loan with a 10-year grace period and only one per cent service charge for Lao PRD. Laos has received a US$60 million loan from the World Bank and is to sign another US$30 million loan this year.

Nevertheless, many of these developments have gone unnoticed in the outside world, possibly because Laos' population of only 4.5 million makes the country easy to ignore. Moreover, Laos still does not have the financial and intellectual property laws to make foreign investors feel secure.

Nopphadon Wirawong, the Vientiane Commerce Consul of the Thai Embassy, said that although the Lao Government has privatized many kinds of infrastructure projects by giving concession contracts to private firms or forming joint ventures with private firms to do the job, the country has no clear policy on privatization.

Somphop Charoenkun, the Loxley Plc [public limited company] vice president who oversees that company's activities in Laos, said that interested investors have to develop relations with the government before deciding to invest in a project.

One example is the 30-year joint venture contract with the Lao Government that Chiang Mai's U-Sa Family Co Ltd land developer won to develop the 250-kilometre quadrangle economic development area.

It is quite a surprise to have an unknown company building a mega-project, but the company has a long connection with the government. Wanlop Saetiao, the managing director of the company, spent at least two years negotiating with the government. He has a greater advantage than other investors because his father-in-law is a well-known businessman who has influence in Laos.

U-Sa's recently-formed joint venture establishing Quadrangle Economic Development Co Ltd has registered capital of BtlO0 million.

The company is preparing to sign a Bt450 [figure as published] loan agreement with a few financial institutions to run the project. It will subcontract some development in the area to interested investors.

He suggested that potential investors scrutinize the laws and stipulate that they will retain responsibility if the government changes its policy after signing the contract agreement.

Foreign investors have some specific concerns about unclear policies such as on mobile telephones. A few months ago the Lao Government announced that foreigners who enter the country cannot bring mobile telephones into the country. It can be quite a problem for international organizations and businessmen to contact their companies outside the country.

Philippines

Ramos: Prepare for 'Worst' Over Spratlys

BK1702131695 Manila PHILIPPINE DAILY INQUIRER in English 16 Feb 95 pp 1, 4

[Report by Lynda T. Jumilla and Juliet M. Labog]

[FBIS Transcribed Excerpt] President Ramos yesterday ordered the military to beef up its forces in the Kalayaan Islands, saying the Philippines has to prepare for "the worst."

"I have ordered the Department of Defense to strengthen, within our limited capabilities, our detachment and our naval presence and intensify its surveillance (in the area)," the president said in a statement after a special meeting of the National Security Council [NSC] in Malacanang.

The military action notwithstanding, the government vowed to "exhaust every diplomatic option" available to defuse the tension caused by China's incursion into Panganiban (or Mischief) Reef.

The reef is located in the middle of Kalayaan, which the Philippines claims as its territory.

Other developments:

—Gen. Arturo Enrile, Armed Forces chief of staff, said it will deploy two more patrol ships to the disputed area but these will not have troops on board.

—Foreign Secretary Roberto Romulo said maintaining peace and stability in the region and "get(ting) back to the status quo before the pre-Panganiban situation" make up the "short-term objective" set forth by the NSC.

The long-term objective, he said, is a "peaceful, just, and legal" settlement of the claims of six nations over the South China Sea. [passage omitted]

Chaired by Mr. Ramos and attended by top Cabinet, Congress, military and police officials, the NSC meeting sought to deal with the "emerging crisis" at the island group 126 to 135 nautical miles west of Palawan.

After assessing the situation, the NSC viewed China's action as "a forceful demonstration of (Beijing's) claim over the entire South China Sea."

Kalayaan, known internationally as the Spratlys, is a group of islets, shoals, and atolls also being claimed wholly or in part by China, Malaysia, Vietnam, Brunei, and Taiwan. It is believed to be sitting on vast oil and gas deposits.

China has pulled out of the area six of its warships, but three other vessels, as well as clusters of structures it built on the reef, remain.

"We all realize that, while hoping for the best, we must prepare for the worst," the president said, adding there was "no substitute for readiness."

But he gave the assurance that there was no cause for undue alarm and called on officials to "tone down individual rhetoric."

"Right is clearly on our side here, and being in the right endows us with a moral strength that armed might cannot easily put down," Mr. Ramos said.

Briefing reporters after the NSC meeting, Romulo said the government's decision to beef up its forces was a self-defense move.

Denying that the government has ruled out the military option, Romulo said: "The right (of a country) to defend itself and to take military action is part and parcel of the whole political and diplomatic kit."

"It has never been waived and never will be."

But he stressed that the Philippines will continue to "exercise restraint ...because unlawful resort to force is something we believe is not part of the script on all sides."

Romulo, however, would not flatly state that the Philippine position amounts to demanding that China dismantle its structures and leave the reef.

But he admitted that the phrase "status quo" means the situation in Kalayaan "before the Panganiban incident."

When asked pointedly if that means the Philippines wants China to remove the structures it had built on the reef, Romulo said: "If the shoe fits, print it."

He said the removal of the structures will be "subject to discussion" with Chinese officials.

At present, the Navy patrol ship BRP Iloilo is on standby in the Kalayaan area.

"The guidance is we increase our capability for patrolling in the area," Enrile told a press briefing at Camp Aguinaldo. "We may have to augment the vessel that we have so that we can cover more areas."

Enrile had warned the BRP Iloilo against getting near Panganiban Reef, lest it be construed as a provocative action.

But he stressed the need to fly the Philippine flag in the disputed waters and conduct air reconnaissance missions to show the Chinese "that they are not supposed to be there."

Enrile said smaller vessels may also be deployed to support patrol operations. [passage omitted]

Along with "political action," the government is planning to bring its protest of the incursion before various international fora such as the UN Security Council, Asia-Pacific and ASEAN consultations, and even in RP [Republic of the Philippines]-China meetings.

Thus far, Manila has sent an aide memoire reminding Beijing of ASEAN's 1992 Manila Declaration calling for a peaceful settlement of the Spratlys conflict.

Mr. Ramos has instructed the Department of Foreign Affairs to lodge a "strong diplomatic protest" with Beijing in connection with the incursion, and the brief detention of Filipino fishermen by Chinese forces in the area last month.

Foreign Undersecretary Rodolfo Severino said a bilateral meeting between the two countries is scheduled for April or May, but that it might need to be advanced for the matter.

Romulo said the stewardship concept will be aired at the ASEAN Regional Forum set in July.

PRC Move on Spratlys 'Suspiciously Timed'

BK1702134795 Quezon City MALAYA in English 16 Feb 95 p 4

[Editorial: "FVR (Fidel Valdez Ramos) Gets Suckered on Spratlys"]

[FBIS Transcribed Text] The Chinese have occupied territories claimed by the Philippines. They are capable of ousting Filipino troops garrisoned on Pagasa and the other islands in the Kalayaan Group. If intention is capability, the few marines manning our outposts may as well prepare to welcome the People's Liberation Army with white flags.

The Philippines has no credible military response and everybody in the region knows it. President Ramos, after yesterday's National Security Council meeting, ordered the "beefing" up of the Philippine forces in the disputed area.

With what?

Sen. [Senator] Rodolfo Biazon, former chief of staff, last week posed the question: "If we send one ship with 100 marines, what will prevent China from sending four ships with 2,000 troops? What will we do if that happens?"

Appeal for military help from lone ally, the United States, and support from the United Nations?

Kicking out the Americans from RP [Republic of the Philippines] bases is back to haunt us. Washington, which ought to have shut up if it could not offer help to a security partner, has in effect said we are on our helpless own. Since the 1978 review of security arrangements, the United States has consistently said the Mutual Defense Treaty may be invoked only for the defense of "metropolitan" Philippine territory, meaning the territory ceded by Spain under the Treaty of Paris and spelled out in the 1935 Constitution.

All was well when the United States was still in Clark and Subic. But when the Americans left, a power vacuum was created as predicted. China, the lone superpower in the region, is now throwing its weight around. Again as predicted.

The UN route is practically blocked by China's having a permanent seat in the UN Security Council. We can certainly count on the support of the Association of Southeast Asian Nations, but whether China gives a hoot to what ASEAN says is another question.

China's adventure in the Kalayaan Group is suspiciously timed with the entry of Vietnam into ASEAN. And who in the ASEAN has been instrumental in drawing Vietnam into the regional group as a foil to what was perceived as an expansionist China? The geniuses at the Department of Foreign Affairs need not take a bow.

And the military? It now appears the Armed Forces has kept in detention scores of Chinese fishermen who tried to set up homes in one of the Kalayaan Islands. Why the Navy did not simply shove their boats outside the claimed Philippine territorial waters is beyond us.

The Navy, it will also recalled, last year seized a Chinese vessel with 33 people on board. The ship was allegedly engaged in drug smuggling. The Beijing government had sought its release, claiming the ship drifted into Philippine waters because of bad weather. The release of the vessel was in the works, but the Cabinet reversed the decision in reaction to the Chinese Navy intrusion.

Given this background, there is strong ground to believe the Chinese actions are calibrated. You push him, he'll push back with little more vigor. The worst the Philippines can do is respond in kind, that is, anteing up every time Beijing raises the stake.

Which is what President Ramos, upon the advice of the NSC, might have been suckered into by ordering a military buildup in Kalayaan. The country should not play that unwinnable game with a military behemoth.

Concerns About Spratlys Dispute Outlined

BK2002101695 Manila BUSINESS WORLD in English 17 Feb 95 pp 1, 9

[Report by Cristina D.C. Pastor, Paul N. Villegas, Sandra A. Aguinaldo, and Myra V. Lopez]

[FBIS Transcribed Excerpt] Senate President Edgardo Angara yesterday disclosed the Ramos government's "worry" that the Chinese structures built on Panganiban Reef would lead to a more permanent naval presence of Beijing on the Spratly Islands.

An aerial reconnaissance team from the Department of National Defense recently confirmed the presence of Chinese military elements in the Panganiban Reef, a disputed area which is also being claimed by China.

Although several Chinese naval vessels have been pulled out, government quickly deployed several marines in the area to bolster its presence there.

The Panganiban Reef in the Kalayaan Islands is 130 nautical miles from the southwest coast of Palawan.

"We do not accept China's explanation that these structures are shelters for fishermen," Mr. Angara told a luncheon forum of the Foreign Correspondent Association of the Philippines. What the Philippine Government has found, he said, were structures for "bases for military encampment or naval presence."

"That worried everyone in the National Security Council (NSC) meeting," he revealed.

DIPLOMATIC PATH

Mr. Angara, who attended the NSC meeting Wednesday, also said the Philippine Government will continue to take the diplomatic path in settling the issue with China.

He said government is looking at "several levels of consultations" involving the process of dialogues, and these could be through bilateral meetings or the appropriate multilateral fora. He agreed to the suggestion that the ASEAN (Association of Southeast Asian Nations) Regional Forum or the United Nations Security Council could be proper channels by which the Philippines can "ventilate its rightful claim."

WORLD ATTENTION

"The Philippines will resort to these fora to bring world attention to this problem," he said.

He said war has never been considered an option during the NSC meeting, and that there were "no warlike expressions" made by any of the officials present.

He said there was "unanimity" among officials to support the Executive's position on what they believe to be a "blatant invasion of national territory" by the Chinese. The Senate, he added, is "one and behind" the president in whatever strategy the Executive decides to take.

"If he needs a consensus, I'm sure the Senate will give it to him without reservation or delay," he said further.

Mr. Angara said more than the Philippines' territorial claims, the issue has taken on regional dimension because of its effects on vital South China Sea lanes for military and commercial access.

"The problem is not just a Philippine question. It will affect regional security and the safety of the sea lanes. We hope China will see it in that light," he said. [passage omitted]

CONFRONTATION

In this connection, a military analyst said the Philippines is capable of outsmarting China should military confrontation erupt between the two countries over the disputed Panganiban Reef.

This developed even as intelligence reports reveal Vietnamese forces have been occupying four islands being claimed by the Philippines in Kalayaan and located within the 200-mile exclusive economic zone long before the discovery of Chinese presence in Panganiban Reef.

A military analyst, who requested not to be identified, said the Philippines can actually defeat China in a sea and air battle in fighting for rights over its territorial waters. He said although the Chinese armed forces is one of the most powerful in the world, the country is not totally helpless against it, particularly because of China's distance from the disputed reef 160 miles off Palawan.

"In the theater of war, the one who gets there first is the winner," he said explaining China will have difficulties standing path on its claim over islands very near the Philippines and other claimant countries.

"Mischief Reef is nearest the Philippines and nearer to Malaysia, Brunei, and Vietnam than China. Its air assets will find it difficult," he said.

He explained that unless Chinese fighter planes can refuel somewhere nearer the Philippines, the planes cannot stay in the area long enough and still make it back to its base in mainland China. China has no airstrip in any of its claims in the Spratlys and the Paracels where they can load and unload arms and at the same time refuel he said. Military records show China has no aircraft carrier.

"This is a game of distancing and focusing. China's might can only come from the Paracels and their floating assets. There is no other place where they can take off by air and without air support it will be very hard for them," he said.

STRENGTH

Military documents showed the Chinese navy has 17 destroyers, 37 frigates, 207 missile craft, 160 torpedo craft, while its Air Force has 4,500 fighter planes. The Philippines' strength, in contrast, pales with 30 patrol craft, 121 helicopters, and 11 fighter planes.

At the same time, a ranking military official said the Philippines also stands to win over the diplomatic protest hurled by the government against China. He said reasons such as the poor health condition of Deng Xiaoping and the unfavorable world opinion against its recent military moves might force China to loosen up its hold on Mischief Reef as well as the other islands not within its territorial rights. "Our diplomatic protest puts a lot of weight on China," he said.

VIETNAMESE

Meanwhile, military records show China is not the lone "intruder" of the Philippine water. Reports said the Vietnamese military is maintaining naval garrisons in the island of Pugad, Binago, Lagos, and Rurok located within the Kalayaan Group of Islands being claimed by the Philippines.

Military analysts said the government should also protest Vietnam's alleged intrusion so as not to give the Chinese Armed Forces an excuse not to leave Panganiban Reef.

The same report said the Armed Forces of the Philippines [AFP] has been keeping a close watch on the islands where the Vietnamese forces have started to come in sometime in the 1980's.

The AFP has sent a total of four navy patrol ships in the area to monitor the movements of foreign navies inside the country's waters. Support vessels were also sent to escort the ships, together with one light support tank to bring in frogmen for underwater surveillance. Philippine Air Force F-5 fighters have also been conducting patrol missions.

Vietnam allegedly established a concrete runway in Lagos with an estimated area of 13 hectares.

The military listed the Vietnamese armaments on the four islands as 11 light and medium anti-aircraft guns which were supported by strategically placed 25 machine gun nests, 33 artillery pieces, air raid and bomb shelters, and underground escape routes and tunnels.

Some 20 other islands in the Spratlys have also been marked by Vietnam.

"If the Philippine Government would not take any action on the Vietnamese presence within our country's 200-mile EEZ [exclusive economic zone], then this might be used as a good leverage by the Chinese military not to withdraw from the Panganiban Reef," he said.

Vietnam, a long time rival of China, was the first among Asian nations to denounce the alleged intrusion of Chinese forces near Panganiban Reef. [passage omitted]

Ramos, Romulo on PRC Presence in Spratlys

BK1702153395 Quezon City GMA-7 Radio-Television Arts Network in English 1420 GMT 17 Feb 95

[FBIS Transcribed Text] China remains silent on its occupation of Mischief Reef. The reef named Panganiban in Philippine maps is within the 200-mile exclusive economic zone of the Philippines.

In recent days, the Philippines has been steadily increasing its military presence in the area to discourage further Chinese adventurism. This report from David Jude Santa Ana.

[Begin recording] [Santa Ana] China has not replied to the Philippines' February 6th [as heard] diplomatic protest over their occupation of Panganiban or Mischief Reef. Although it takes some time for a diplomatic reply to be coursed through official end in formal channels, a substantive reply is expected.

[Foreign Affairs Secretary Roberto Romulo] Well, in diplomacy it's hard to determine when one hasn't answered because there are many vehicles of communication, as somebody intimated here. And there are many informal vehicles too. But as what, [pause] what is important that there,...we should be, [pause] receive a substantive reply.

[Santa Ana] There was a Chinese foreign ministry statement calling for the peaceful settlement of the territorial disputes in the South China Sea. But it made no mention of the Panganiban Reef incident.

Meanwhile, Vietnam did occupy some islands also in the Philippine zone. But this happened before the 1992 Manila Declaration, where ASEAN, Vietnam, and China agreed to settle overlapping claims peacefully.

[Romulo] This recent event in the Mischief Reef basically says there has been a breach in this, ...in the way we had set up cordial relations amongst ourselves. In other words, that was a new parameter we established in July of 1992, and we find that most regrettable.

[Santa Ana] President Ramos said the increased military presence there is not meant to provoke a war, but to defend the country's sovereignty.

[Ramos] I don't know if you want war, but I don't. I don't think our people want war to take place because then everybody suffers including the innocent and the uninvolved.

[Santa Ana] Neither are they using the Panganiban Reef incident to railroad the defense modernization bill through Congress. While he admits the Navy needs ships and the Air Force needs planes, they will not buy weapons left and right like in a supermarket.

Manila will insist on counter-trade arrangements—trading software, like garments for military hardware, and a coproduction deal which will create more jobs here.

[Ramos] We are not in a big rush to buy this and buy that as if we were suddenly given a lot of money for Christmas and we went to a department store, we have to buy some goodies. No, maybe that was the old way, but that's not the Ramos way. [end recording]

Pakistani Prime Minister Bhutto Visits Manila

Agrees With Ramos on Mutual Ties

BK1702161495 Islamabad Radio Pakistan Network in English 1400 GMT 17 Feb 95

[FBIS Transcribed Text] Bilateral, regional and international issues have been discussed by Prime Minister Benazir Bhutto and President Fidel Ramos of the Philippines in Manila. The two sides agreed to promote trade relations and investment and cooperate in power generation and defense supply matters. The prime minister and the Filipino president were unanimous to work together against international terrorism and drug trafficking.

The prime minister told President Ramos that popular struggle for the right of self-determination in the occupied Kashmir is not a separatist movement because the territory does not belong to India. She said the right of self-determination of the Kashmiris has been committed by the United Nations as well as Pakistan and India. Pakistan, she said, wants to have talks with India to resolve the issue. She explained Pakistan's peaceful nuclear policy and its relations with the United States which have shown signs of improvement recently. The prime minister said the United States is no more talking to roll back our nuclear program and taking an even-handed position between India and Pakistan on the issue. The United States has also described Kashmir as a disputed territory which is a cause of regional tension.

Ms. Benazir Bhutto was conferred upon the degree of Doctor of Humanity by the Mindanao State University at an impressive ceremony in Manila this afternoon. The degree was conferred by the president of the university in recognition of her deep commitment to democracy, women issues, population development, and environmental concerns. Speaking on the occasion, the prime minister expressed her firm belief in democracy. She said Shura, Ijma [consultations, consensus] and independent judgment can play a substantial role in the development of democracy in an Islamic society. She said Islam lays both males and females on an equal footing. She said the state cannot provide prosperity and happiness to its people unless it takes responsibility for their lives and property. The prime minister said Pakistan and the Philippines should cooperate with each other to solve the problems of the 20th century and [explore] unlimited opportunities for the next century. She said Pakistan and the Philippines together must provide leadership in establishing a new political order and promotion of technology and communication.

Ms. Benazir Bhutto stressed to respond to the expectations of the masses for a more secure and prosperous future. She emphasized that we have to feed those who are hungry and provide housing to the shelterless people and educate our children. She said development and democracy go together and are interdependent.

The prime minister said due to changes in different parts of the world following the disintegration of the Soviet Union an international political system based on equity and justice is needed. Ms. Benazir Bhutto called for solving international problems through the United Nations, whether it is the carnage of Sarajevo or the martyrdom in occupied Kashmir.

Attends Banquet Hosted by Ramos

BK1802113595 Islamabad Radio Pakistan Network in English 0300 GMT 18 Feb 95

[FBIS Transcribed Text] Prime Minister Benazir Bhutto has said the core issue of Kashmir has strained Pakistan-India relations for nearly half a century and we are keen to solve it peacefully. Speaking at a banquet hosted in her honor by President Fidel Ramos of the Philippines in Manila, she however made it clear that Pakistan is not ready to become a party to the Indian game of creating the illusion of a dialogue while its troops continue brutalities in occupied Kashmir. Ms. Benazir Bhutto recalled that although the international community has supported the Kashmiris' right to decide their own future, the Indian authorities continue to suppress the struggle of Kashmiris through brute force. More than half a million Indian troops are presently engaged in repressive efforts and killing people. The prime minister said a settlement of Kashmir dispute would be of immense benefit to the people of Pakistan and India and bring them closer to a solution of the nuclear issue.

Referring to Central Asia, she said Pakistan is now reestablishing its historical links in promoting economic development and stability in the region. She said Pakistan is a stepping stone to Central Asia as most trade routes to the newly independent states pass through Pakistan.

In the Asia-Pacific region, the prime minister said, we are watching with interest the Asia-Pacific Economic Commission [as heard] initiative toward free and open trade, investments. She said Pakistan qualifies for membership of this commission and looks for the Philippines' support in this connection when freeze on its membership ends next year. Ms. Benazir Bhutto said Pakistan also looks forward to becoming a full dialogue partner with the Association of Southeast Asian Nations in the not-to-distant future. She supported granting autonomy to the Filipino Muslims within the framework of the country's territorial integrity.

Referring to bilateral relations, the prime minister said they had close identity of views on a number of regional and international issues. She said the two countries have cooperated closely at the United Nations and other international forums on issues like Afghanistan, Cambodia, and the new international economic order.

In his speech, President Fidel Ramos said he had a meaningful exchange of views with the prime minister on issues of mutual interest, particularly Pakistan's initiatives toward Southwest Asia, at both the bilateral and multilateral levels. He said our relations have been developing through the years and the prime minister's visit fortifies our friendship. President Ramos said the world recognizes the role of Prime Minister Benazir Bhutto in bringing back democracy to Pakistan. He said Pakistan and the Philippines were engaged in the historic struggle for national development and modernization, implementing reforms, (?that is) changing our countries and opening ourselves to the world.

The prime minister delivered keynote address at the Asia-Pacific region conference on climatic conditions in Manila this morning. The conference was opened by President Ramos. Ms. Benazir Bhutto in her address called upon the countries of the Asia-Pacific region to reach a common strategy to tackle their environmental problems for a prosperous future. The prime minister stressed for implementing a reasonable and rational global plan to climate change. The region is vulnerable and must come together to take a defensive plan of action to avoid catastrophe. Ms. Benazir Bhutto said some of the most populous nations, including Pakistan, China, and India, have exposed population in coastal and delta areas that had been hit by flooding and cyclones in the past. The countries of the region must plan to control the current situation and defend against the potential future change to our climatic conditions. She said we must adopt flood control measures to deal with surge in monsoon change and develop heat-resistant plants and vegetable crops. Ms. Benazir Bhutto said Pakistan has initiated a program to respond to such needs at the national level. The crux of the program is our national conservation strategy which mobilizes key stake holders in undertaking actions of a supportive nature. She also emphasized the need to reforest the areas that had been depleted.

Holds News Conference

BK1802153295 Islamabad PTV Television Network in English 1400 GMT 18 Feb 95

[FBIS Transcribed Text] Addressing a news conference before departure from Manila at the conclusion of her two-day official visit to the Philippines, Prime Minister Benazir Bhutto said her government is taking active measures to liquidate terrorism. The prime minister said in the past due attention was not given to eliminate terrorism from the country. Now this menace posed a danger to the security of Pakistan. She said the government has established effective liaison on the international level to tackle terrorism.

Answering a question on the role of Taliban in Afghanistan, Prime Minister Benazir Bhutto said Pakistan strictly adheres to the policy of noninterference in the internal affairs of other countries, including Afghanistan.

[Begin Bhutto recording] Since the new government was elected in Pakistan in October 1993, we adopted a very firm hands-off policy. We have no favorites in Afghanistan and we do not want to interfere in Afghanistan or influence their power-sharing formula in any way whatsoever. All we are interested in is peace and stability within Afghanistan and, therefore, we have backed the UN efforts through Mr. Mestiri to arrive at a power-sharing formula within Afghanistan; and it is for the UN special envoy to determine [?who are the] different forces, factions, and influence wielders within Afghanistan who need to be co-opted [as heard] into the power-sharing formula. [end recording]

PTV representative Khalid Sarghana reports from Manila that the prime minister highlighted the efforts and steps taken by her government to control pollution in Pakistan.

Concludes 2-Day Visit

BK1902091295 Islamabad Radio Pakistan Network in English 0300 GMT 19 Feb 95

[FBIS Translated Text] Prime Minister Benazir Bhutto has said Pakistan strictly adheres to the policy of noninterference in the internal affairs of other countries, including Afghanistan. She was addressing a news conference in Manila yesterday after concluding her two-day official visit to the Philippines. She said Pakistan is only interested in peace in Afghanistan and it was up to Afghan leaders to decide on any power sharing formula. The prime minister said the Taleban phenomenon is spontaneous and indigenous movement that has begun in Afghanistan. Pakistan has no favorites in Afghanistan and it has nothing to do with any faction, including Taleban.

Replying to a question on international terrorism, she said Pakistan does not believe in terrorism. Pakistan will always fight against it. It will not provide refuge to terrorists and will cooperate with other countries in curbing the menace. About Ramzi Yusuf, she said he is not a Pakistani and he was travelling on a forged passport. As soon as Pakistani authorities received information, they arrested him, presented him before a magistrate, and afterwards extradited him to the United States, where he was wanted.

Referring to her political ideals, she said she has always been inspired by the struggle of the founder of Pakistan, Qaide Azam Mohammad Ali Jinnah, because he believed that the basis of all struggle was legality. Her party also believes in law and it is the law which determines the actions that we take.

Turning to her government's policies, Ms. Benazir Bhutto said the people's government is determined to make the country self- sufficient in energy and put it on a path to progress. The government is taking effective steps to boost industrial production and is implementing programs for welfare of the people.

On the question of climatic changes taking place on the global level, she said Pakistan is cooperating with other countries to control effects of such changes. Steps are also being taken within the country to overcome pollution and preserve natural environment.

About her visit to the Philippines, she said it was highly successful. Pakistan has long admired the people of the Philippines for their struggle for democracy.

Before departure for home, the prime minister had a meeting with former Philippines President Mrs. Cory Aquino. Benazir Bhutto received a warm send-off on her departure from Manila to Karachi. Those who paid farewell to her, included the vice president of Philippines and high-ranking officials.

Prime Minister Ms. Benazir arrived in Karachi last night after the conclusion of her official visit to the Philippines.

The prime minister left Karachi early this morning for Jedda to perform umrah [minor pilgrimage].

Thailand

Laotian President Conducts Official Visit

Delegation Arrives 14 Feb

BK1402074795 Bangkok Cho So 100 Radio in Thai 0705 GMT 14 Feb 95

[FBIS Translated Text] The Lao president arrived on an official visit to Thailand a moment ago.

President Nouhak Phoumsavan of the Lao People's Democratic Republic [LPDR] and his wife have just arrived in Thailand aboard a Lao Airways plane on an official visit. They were welcomed at the Royal Thai Air Force terminal by his majesty the king, Her Royal Highness Princess Maha Chakkri Sirinthon, Prime Minister Chuan Likphai, cabinet members, leaders of the Thai armed forces, and officials from the Lao Embassy in Thailand. Their arrival was greeted by a military band playing both the Lao and Thai national anthems and a 20-gun salute to show respect for the Lao guests.

This evening the king will host a banquet at Chakkri Hall in the Grand Palace in honor of the Lao president and his wife. The Lao president is visiting Thailand from today until 19 February as the guest of their majesties the king and Queen Sirikit. While in Thailand he will visit a number of royally initiated projects in Ayutthaya, Chiang Mai, Chiang Rai, and Khon Kaen Provinces. On 19 February the LPDR president will return to Laos by car over the Thai-Lao Friendship Bridge.

Lao President Views Trip

BK1402085295 Bangkok BANGKOK POST (INSIDE INDOCHINA Supplement) in English 14 Feb 95 p 1

[Report by Nutsara Thaithawat and Saritdet Marukathat]

[FBIS Transcribed Text] Today's visit to Thailand by Laotian President Nouhak Phoumsavan will bring relations between the two neighbours "to the highest level".

The president, accompanied by his wife and a delegation of ministers, begins a six-day state visit as guest of Their Majesties the King and Queen. His programme includes visits to Royally-sponsored projects in Chiang Mai and Chiang Rai. He will also be conferred with an honorary doctorate degree in agricultural economics by Khon Kaen University.

Nouhak, president since December 1992, is the second Laotian head of state to visit Thailand after the change of government in 1975. The late president Kaysone Phomvihan visited in January 1992.

Laotian senior officials, including Foreign Minister Somsavat Lengsavat and his deputy Souban Srithirat, share the view that the state visit signifies that relations are reaching "the highest level".

"Nothing will obstruct the growing friendship between Thailand and Laos." Thai Ambassador to Laos Somphan Kokilanon told a press briefing last Friday.

In Vientiane, Souban said top Laotian and Thai leaders setting the direction of ties, would speed up progress on any issues between the two countries.

Thai and Laotian officials have to follow this up with concrete action, he said.

"I have repeatedly stated that no other country is closer to Laos than Thailand because we share a common border and cultural similarities," Laotian Ambassador to Thailand Bounkeut Sangsomsak said in an interview with INSIDE INDOCHINA.

The visit of Nouhak comes as the two countries enjoy more stabilised relations, politically and economically. The Friendship Bridge, which was opened last April, not only reaffirmed the closeness of the two neighbours but helped exchanges.

Thailand is the major trading partner of Laos and Thais also rank first among foreign investors in the country. The annual meeting of the Joint Commission which was set up five years ago has been focussing more and more on economic cooperation.

Bounkeut said there remained no obstacles which could affect the increasing ties, except for "some remaining issues" still to be clarified.

"In the past we had problems," he said. "Now there are none as both sides hold regular consultations."

No countries in the world were problem-free with their neighbours because "it is the natural principle in international politics," he said.

The most prominent issue which needs to be resolved is the overlapping claims at Ban Romklao. The two countries have held several rounds of talks for years but have yet to find a solution.

Former foreign minister Thaksin Chinnawat told his Laotian counterpart, Somsavat, during an informal meeting in Bangkok on February 3 that Thailand would seriously attempt to resolve the unsettled border with Laos. Somsavat called on his successor to pursue this policy.

Thailand and Laos share a 1,730 kilometre-long border.

Thailand claims Ban Romklao is part of its Chat Trakan district in Phitsanulok while Laos insists it is part of its Boten district in Sayaboury. Both sides claim strong evidence and are confident of their rights over the village.

Attempts to break the deadlock yielded a positive development at the latest meeting of the technical subcommittee on January 23-24 in Nong Khai when Thai and Laotian officials issued a memorandum accepting one another's stance for the first time.

Previous talks of the sub-committee, under the Joint Border Committee chaired by deputy foreign ministers of both countries, ended up with each side issuing separate statements.

At last year's Joint Commission meeting in Bangkok, on September 15-17, both foreign ministers issued a joint statement calling for a speedy conclusion of the issue, after authorities of both sides jointly surveyed the disputed area for the fifth time.

The Laotian ambassador described the outcome of the meeting in Nong Khai as a "unified document with a substance" because it indicated that each side recognised the other's stance.

Bounkeut expressed confidence the move will pave way for both sides to settle their differences in future talks and end the issue.

Laos successfully demarcated a permanent border with its two other neighbours, Burma and China, but the ambassador said these settlements could not be compared with Thailand's case because those countries never had border disputes with Laos. He expressed confidence that talks could be speeded up.

Another remaining issue is the Laotian anti-government insurgents. Vientiane claims they are using Thai territory. The ambassador praised Thailand for clearly announcing it never supported them and would not allow them to use Thai territory as a base for activities in Laos.

Nouhak's visit is intended to set the tone for closer ties. Officials of both countries have agreed they will not allow old problems to stand in the way.

King Hosts Banquet

BK1502031595 Bangkok Radio Thailand Network in Thai 0000 GMT 15 Feb 95

[FBIS Translated Text] At 2000 yesterday evening, his majesty the king hosted a banquet in honor of His Excellency Nouhak Phoumsavan, president of the Lao People's Democratic Republic [LPDR], and his wife Madam Bounma Phoumsavan at the Chakkri Throne Hall of the Grand Palace. The Lao couple are on an official visit to Thailand as the guests of their majesties the king and queen of the Kingdom of Thailand.

In his speech at the banquet, his majesty the king noted the relations between the two countries. He said that last year their majesties paid an official visit to the LPDR and were impressed with the excellent friendly welcome they were given by the Lao Government and people. Therefore, he is pleased by this honorable visit to Thailand by the LPDR president.

It can be noted that Laos has extraordinarily cordial relations with Thailand. This is the first time Thailand has ever had the opportunity to welcome and accommodate the LPDR president, the leader of his country. It is well known that Thailand and Laos have had relations with each other for quite a long time, so there is no need to go into detail. Their friendship, religion, traditions, and way of live are similar. These are the factors that have fostered very close ties between them. For this reason, the Lao and Thai peoples have always had a good understanding and have exchanged visits with each other as close friends and relatives. The governments and private sectors of the two countries realize that Laos and Thailand must coexist with good understanding and close cooperation. They have therefore coordinated in several important tasks in the economic and trade fields as well as various development projects. This has greatly benefited the two countries in their national development, the king noted.

The king expressed his confidence that the friendly cooperation will bear fruit for the peoples of the two countries forever. The LPDR president's visit to Thailand will serve as a firm and solid base for the Thai and Lao nations to maintain and improve their bilateral friendly relations so they can consistently flourish.

Today is the second day of the LPDR president's official visit to Thailand as the guest of the Thai king and queen. At 0800, the Thai prime minister will pay a courtesy call on the LPDR president at Boromphiman Hall. After that the LPDR president and his wife will leave for Chachoengsao to visit a royally-initiated project, the Khao Hin Son Study and Development Center, in Phanom Sarakham District, Chachoengsao Province. At 1830, Prime Minister Chuan Likphai will host a state banquet in honor of the LPDR president and his wife at the Santi Maitri Hall at Government House.

Phoumsavan Addresses Banquet

BK1702023595 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 16 Feb 95

[Speech by Nouhak Phoumsavan, president of the Lao People's Democratic Republic, at banquet held in his honor at Chakkri Maha Prasat Throne Hall in Bangkok on 14 February—read by announcer]

[FBIS Translated Text] Highly respected Your Majesty King Phumiphon Adunyadet and Her Majesty the Queen, respected your highness members of the Royal Family, distinguished guests, ladies and gentlemen:

My wife and I are very pleased to pay an official visit to the Kingdom of Thailand. I feel highly honored to attend the grand banquet held in honor of my wife and me by your majesties the king and queen this evening. I am deeply impressed with your majesty's edicts, which note the time-honored friendship and relations between the peoples of Thailand and Laos. On this occasion, I would like to express profound thanks to their majesties and members of the royal family as well as the people of Bangkok in particular and the Thai people in general for the welcome filled with intimate friendship.

My visit takes place at a time while the entire Thai people are celebrating the 50th anniversary of His Majesty King Phumiphon Adunyadet's reign. The government and people of Laos are elated to note that under the graciousness of Your Majesty, the Kingdom of Thailand has been incessantly developed, and the Thai citizens have all along enjoyed peace and happiness.

Respected majesties, distinguished guests: The two peoples of Laos and Thailand have arisen from the same origin. They have maintained similar cultures, religions, languages, and customs. These similarities have bound us together in inseparable brotherliness. They have also served as a solid basis for the maintenance of long-term cooperation between our two countries. I am elated at and highly appraise the greatly significant role of your majesties and members of the royal family in increasingly and satisfactorily promoting, flourishing, and developing the friendly relations and cooperation between the Kingdom of Thailand and the Lao People's Democratic Republic. The Lao Government and people have always attached importance to the promotion and expansion of the friendship and cooperation which are beneficial to both Laos and Thailand and which have brought about prosperity to the two countries. In this spirit, I believe that this visit to the Kingdom of Thailand will result in enhancing ever more profoundly the understanding between our two countries and that it will bring about the everlasting to the fraternal relations, affection, and friendship between Laos and Thailand from one generation to another. This will be beneficial to our two nations. It will also serve as an important factor for the achievement of peace, stability, friendship, and cooperation in the interest of the development in this region.

On this occasion, I would like to invite you, distinguished guests, to join my wife and me in drinking a toast to the happiness and long life of His Majesty King Phumiphon Adunyadet and Her Majesty the Queen, to the happiness of all members of the royal family, to the prosperity of the Kingdom of Thailand, to the happiness of all Thai people, and to the everlasting friendship and advantageous cooperation between Laos and Thailand.

Laotian Guests Continue Activities

BK1702145395 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 17 Feb 95

[FBIS Translated Text] The activities of the president of the Lao People's Democratic Republic and his wife today are as follows:

At 0800, His Excellency [H.E.] President Nouhak Phoumsavan and his wife left the Guest House at the Borom Phiman Throne Hall to tour the Emerald Buddha temple, to which he made a donation of 50,000 baht for its upkeep. Then the president and his entourage went to the Lan Phlapphla pavilion where he was presented with a souvenir by the governor of Bangkok Metropolis.

At 0945, H.E, President Nouhak Phoumsavan and his wife bade farewell to their majesties the king and queen. At 1030, their majesties the king and queen held a grand farewell ceremony for the LPDR president at the Thai Air Force airfield at Don Muang. After that, the Lao delegation left for Chiang Mai for a visit—the fourth day of its stay in the Kingdom of Thailand. Upon arrival at Chiang Mai airport, the LPDR president and his wife were accorded a grand welcome by the Chiang Mai provincial governor and his wife.

At 1430, the LPDR president and his entourage visited the Huai Hong Khai development center in Doi Saket District, where he planted a tree sapling as a symbol of appreciation.

At 1900 this evening, the Chiang Mai provincial governor and his wife will host a reception for the LPDR president and his entourage at the Chiang Mai Orchid Hotel.

President Departs 19 Feb

BK2002033695 Bangkok Radio Thailand Network in English 0000 GMT 20 Feb 95

[FBIS Transcribed Text] President of the Lao People's Democratic Republic Nouhak Phoumsavan and Madame Bounma ended six-day state visit to Thailand yesterday. Her Royal Highness Princess Maha Chakkri Sirinthon accompanied the royal guests on their visits to northern and northeastern provinces during the second half of their state visit, following functions and observation trips in Bangkok.

In the northern provinces of Chiang Mai and Chiang Rai, the Lao head of state and his wife observed royally-initiated development projects. In the northeastern province of Khon Kaen, the Lao president was conferred an honorary doctorate in economics from Khon Kaen University. On his last stop before leaving for Vientiane, the Lao president and his wife visited the Northeastern Veterinary Research Diagnostic Center to observe livestock development in Thailand. President Nouhak Phoumsavan showed keen interest in development projects in Thailand which could be easily applied to Laos, with the same geographical and social conditions.

The Lao president and his wife travelled by car via the Nong Khai-Vientiane Mekong River Bridge, or the Friendship Bridge.

Burmese Cross Border To Attack Karen Refugees

BK1702135495 Hong Kong AFP in English 1334 GMT 17 Feb 95

[FBIS Transcribed Text] BANGKOK, Feb 17 (AFP)—Burmese army units have attacked and robbed Karens sheltering in Thailand, making off with hundreds of bags of rice and terrorising the refugees, Karen and Western sources said Friday.

Several hundred Burmese soldiers crossed the Salween River, which marks the frontier with Thailand, and entered the Karen refugee camp, causing panic among the inhabitants, the Karen Refugee Committee (KRC) said in a statement here.

The soldiers, who are currently involved in a major offensive against the country's long-running Karen insurgency along the Thai border, stole about 500 bags of rice destined for the refugees, whom they also robbed, it said.

The incident occurred at the Ka Htee Hta camp on the banks of the Salween, about 30 kilometers (20 miles) north of the former Karen base at Manerplaw, which fell to Rangoon's forces January 27.

A Western source confirmed the report, saying that "the refugees feel very, very unsafe" and that they felt they were not being protected by Thailand.

Thailand Wednesday issued a "stern warning" to Burma, saying that it would not tolerate new incursions into its territory.

Thailand's acting foreign minister, Surin Phitsuwan, also stressed that about 8,000 Karens who escaped across the border from Burma would be protected.

The KRC statement also said that 20 Karen families had been captured and taken to Burma last week following the nightime raids. Five of the male members of the families were executed immediately, it said.

The report could not be independently confirmed.

The Western source said there was "such a rumor, but facts are not clearly established yet."

The statement said three of the victims were executed on February 13 in the village of U Thu Hta, across the Salween from the Thai refugee camp. The other executions occurred on February 15, it said.

The KRC statement added that the refugees had been moved 20 kilometers (12 miles) to another location in Thailand.

Another camp at Mae Paw Moo Hta, also on the Salween, had been hit by artillery and machinegun fire on February 8 and 9, the statement said.

Media Reportage on Burmese Attack on KNU Camp

Burmese Said Preparing Assault

BK2002040095 Bangkok BANGKOK POST in English 20 Feb 95 p 6

[FBIS Transcribed Text] More than 3,000 Burmese troops and porters have reinforced positions opposite Mae Sot in apparent preparation for a major assault on Kawmoora Camp of the Karen National Union [KNU].

Local military sources said yesterday the reinforcements took up positions in the past two days. Random shelling of the KNU stronghold has occurred.

Thai troops have been alerted and artillery put into position in case any foreign forces cross into Thailand as a result of the new fighting.

The Rangoon force aimed to crush Kawmoora by the end of March to celebrate the 50th anniversary of the Burmese Armed Forces on March 27, the sources said.

The Burmese force might use artillery to support its ground troops in crossing into Thailand to use Thai territory as a springboard to hit the Karen from behind, the sources said.

About 100 Thai villagers were evacuated from the area opposite Kawmoora to prevent them from being caught in possible crossfire. A Thai villager was injured when Burmese troops fired at a group of Thai fishermen in the Moei River in Mae Ramat District. Udom Phutpuan, 34, was with six other fishermen when he was hit by a bullet fired by Burmese soldiers manning a military camp on the other side of the border.

Seizure of KNU Base Viewed

BK2002080695 Bangkok THE NATION in English 20 Feb 95 p A6

[Article by Aung Zaw: "Besieged From Inside and Out, Karen Vow to Keep Fighting"]

[FBIS Transcribed Text] In the aftermath of their lightning assault and capture of the Manerplaw guerrilla base, Slorc [State Law and Order Restoration Council] troops turned their guns to Kawmoora, the last stronghold of the Karen National Union [KNU].

But despite being exposed to heavy shelling on an almost daily basis, Karen soldiers at the base remain defiant and vowed to hold on to the base across the border from Mae Sot.

"We will fight to the death," said one soldier based on the hill-top outpost.

Kawmoora has been shelled regularly since mid-December. When the shelling starts, refugees taking shelter on the Thai side of the border venture outside of their tiny and shaky houses and watch the smoke over Kawmoora. Their faces look sad and helpless as they worry about their brothers and relatives.

"This war is not fair," said Lwin, a teacher at the sprawling refugee camp who has been closely monitoring the fighting. "They have been shelling many times but the Karen soldiers cannot fire back because they have limited ammunition and weapons," he said.

Kawmoora, which sits atop a river-bound hill jutting into Thailand, will not fall easily to the Burmese government troops. But Karen officials remain worried because Rangoon has brought a large amount of heavy weaponry and ammunition into Karen state over the last few months. According to sources inside the state, Slorc soldiers have began forcibly recruiting porters in Pa-an, Myaing Kalay and other townships since January as part of their military preparations.

KNU officials said causalities among the Karen at Kawmoora were light. In contrast the Slorc had lost 64 men during attacks over the last two weeks. KNU officers said the Burmese generals sent about 200 soldier on a suicide attack against the Karen defenders. After many of the attackers were blown up or wounded in the mine fields, rumours circulated that the government troops were being given drugs to subdue their fear. KNU officials claimed more than a hundred Slorc officers and soldiers died during the battle. "We just shoot them," one said.

The Karens denied being dispirited by the fall of Manerplaw. "It is good—now we can start a guerrilla war," said an insurgent officer who has been fighting for almost 25 years.

"We sat there (in Manerplaw) and did nothing. We must fight," he said. The guerrilla veteran criticised the Karen leadership. "Now is the time to change the leadership," he said, adding that the KNU had made some "serious mistakes" although he declined to detail what they were.

Many observers agree the Karen, including Burmese dissidents who were based in Manerplaw, will need to set up a new and stable office like Manerplaw somewhere along the border.

A foreign observer based in Mae Sot said, "I don't know what they will do for PR. They cannot keep fighting. They must have a political strategy."

The Karen's problems are not only with Slorc troops but with the Karen themselves. Lwin expressed his frustration and disappointment over the recently-breakaway Democratic Kayin [Karen] Buddhist Organization (DKBO) as a result of a conflict within KNU.

Rangoon strongman Lt Gen Khin Nyunt said a few weeks ago that Slorc troops did not take over Manerplaw, offering only support to the DKBO, which he said wanted to see peace in Karen State. He said, "So, the (DKBO) asked for help from the Tatmadaw [Defense Services] to drive all who did not want peace out of the region. So, for the sake of peace and tranquility in Kayin (Karen) State and the security of life of the people, the Tatmadaw provided necessary assistance to the DBKO group."

"They (DKBO) don't know what they are fighting for," said Lwin.

During the attack on Manerplaw, Karen mutineers were able to lead the Slorc troops through secret trails to reach the headquarters. "They (Rangoon leaders) were waiting for this opportunity to come. They divided the Karen and let them fight each other," the teacher said. But he said only a handful of DKBO soldiers are involved in the assault on Kawmoora.

Recently, DKBO soldiers crossed into Thailand and kidnapped a senior KNU official. Furthermore, Karen refugees are being threatened that they will pushed back across the border into Burma. "People are so scared now," said one relief worker in Mae Sot.

While Slorc troops were attacking the KNU bases, the government-controlled media in Rangoon ran a series of stories about the recent infighting within KNU under the title "Whither KNU?"

About the same time, powerful military intelligence chief Lt Gen Khin Nyunt and vice-chairman of Slorc Gen Maung Aye toured Pa-an, capital of Karen State. Khin Nyunt accused Bo Mya of "not wanting peace and stability in Karen state."

Some observers in Bangkok suggested that the attacks against the Karen represented a comeback by military hardliners within Slorc. They said that while Khin Nyunt apparently preferred to open a dialogue with ethnic minorities Gen Maung Aye wanted to wipe out Burma's insurgency groups. Last week, Khin Nyunt and Maung Aye went to Thingannyinaung, about nine kilometres from the Thai-Burma border. They were briefed on the operation against the Karens on Kawmoora leading observers to speculate that while the leadership may not be united they are agreed on who their enemies are and are ready to attack them at any time. Tourism Minister Lt Gen Kyaw Ba said soon after the fall of Manerplaw, "there are two strongholds of the insurgents. One of them has been captured and the other one will be taken within a month or two."

Though the Karens remain wary of Khin Nyunt they also say that if Gen Maung Aye wants to fight they will fight.

Lwin said the junta leaders do not care about the rights of the ethnic minorities, and refuse to discuss political issues. "They will never talk about political issues. In order to solve ethnic problems we need a well-respected leaders like Gen Aung San or Daw Aung San Suu Kyi."

He said he does not think the DKBO will be offered the chance to discuss political issues nor will it be invited to attend the Slorc-sponsored National Convention. But a Burma watcher based in Bangkok suggested in his article: "This group (DKBO) will most likely be afforded the same status as other ethnic rebel armies that have made peace with the junta and will probably represent the Karens in the National Convention in Rangoon."

Army Retaliates After Shelling

BK2102074495 Bangkok THE NATION in English 21 Feb 95 pp A1, A4

[Report by Somchit Rungchamratratsami]

[FBIS Transcribed Text] Mae Sot—The Thai army yesterday fired several smoke shells into Burma after the Burmese army, which has resumed its massive artillery shelling of the Karen stronghold of Kawmoora after one week, fired about 40 mortar rounds and anti-personnel shells into Thailand.

Thai authorities in Mae Sot and Bangkok said they believe the Burmese troops "deliberately" shelled Thailand to try to drive off about 100 Thai soldiers stationed around Ban Wang Kaeo, opposite the Kawmoora camp, to prevent any military spillovers and territorial transgression.

The departure of the Thai forces from the area would provide an opportunity for the Burmese troops to cross the Moei River into Thailand to launch a rear attack against Kawmoora, which occupies the land within an oxbow curve on the west bank of the river.

Thai government and military authorities earlier rejected a Burmese request to send their troops across the border to stage a two-pronged assault on the Karen stronghold.

Border sources said most of the Burmese shells yesterday landed deeper inside Thailand, about three to four kilometres from the border, than previous shots which usually fell within two kms from the border.

The sources said they believed the Burmese troops were targeting Ban Huai Kalok refugee camp, which currently houses about 5,000 Karen refugees from Burma. Ban Huai Kalok is about sever kms from the border.

Thai authorities in Mae Sot have not yet ordered the evacuation of the refugees nor of several Thai villages which are located within the Burmese shelling range. They said so far no one has been hurt by the shelling.

Border sources said the Burmese troops began their heavy shelling and ground assault against Kawmoora, which houses the 101th special unit of the Karen National Union (KNU), at around 2 pm yesterday, but sporadic attacks have taken place since last week after the Burmese army sent in fresh troops and more heavy artillery and ammunition.

Sources predicted a renewed massive Burmese assault on Kawmoora after the Burmese army "had lost face" due to severe casualties and ammunition losses during its operation early this month to capture the KNU camp about 14 kms from Mae Sot.

The Burmese army is said to have lost about 60 troops killed, and six trucks full of wounded soldiers during the offensive.

Sources said they detected the steady Burmese reinforcement of the Kawmoora frontline during the past week and that on Saturday at least 10 trucks, fully loaded with 105-mm rockets and 120-mm an 130-mm mortars, were headed toward Tingannyinaung, the Burmese frontline strategic command.

Camp Overrun

BK2102125695 Bangkok Radio Thailand Network in Thai 1200 GMT 21 Feb 95

[FBIS Translated Text] According to a Public Relations Department correspondent in Mae Sot District, Tak Province, Burmese soldiers began heavy shelling of the

Kawmoora Camp of Free Karen soldiers at 1400 [0700 GMT] yesterday. The camp is opposite the Thai village of Bang Kaeo, Mae Sot District. This resulted in thousands of Karen soldiers fleeing their base. A number of these Karen soldiers crossed the Moei River into Thailand, while another group fled north in Burmese territory. Colonel Direk Yaemngamriap, commander of the Thai Control Unit 34, has ordered the disarmament of all Karen soldiers who flee into Thai territory.

The correspondent said the Kawmoora camp has been seized by Burmese soldiers although gunfire could still be heard sporadically in Burma.

Burmese Said To Use Chemical Weapons

BK2102131795 Bangkok Thai Color Television Channel 9 in Thai 1200 GMT 21 Feb 95

[FBIS Translated Text] The Karen stronghold at Kawmoora has fallen to Burmese soldiers following heavy assaults since yesterday and despite the strong efforts by the Karens to protect the camp. Kawmoora base is opposite Thailand's Mae Sot District in Tak Province.

According to a correspondent's report from Tak, Burmese soldiers launched heavy offensives throughout the night firing at the camp with thousands of artillery rounds, recoilless rifle rounds, and even using chemical weapons, as claimed by some. The attacks forced thousands of Karens to cross the border into Thailand to seek shelter—at Ban Wang Kaeo, and Ban Huai Kalok, in Mae Sot. Another group of refugees fled the camp northward inside Burma.

Colonel Direk Yaemngamriap, chief of the 34th Army security unit, reported that Burmese soldiers opened fire nonstop against Kawmoora camp using heavy weapons since yesterday. About a hundred artillery rounds landed in Thailand, but no loss was reported. Meanwhile, the Karen forces have pulled out from Kawmoora camp. Karen refugees who fled into Thailand were disarmed and brought to various spots so they can be pushed back to safe areas in Burma later on.

Concerning the situation at the Thai-Burmese border at Ban Wang Kaeo and Ban Huai Kalok, which is opposite the Kawmoora base, Thai soldiers, policemen, and defense volunteers have been heavily deployed to provide safety for Thai villagers.

Asked how the current situation will affect Thailand, Defense Minister General Wichit Sukmak said that Burmese commanding officers had informed Burmese authorities in the area to station their forces at least 5 kilometers away from the Thai border in order to prevent any impact on Thailand.

Official Postpones Burma Trip Due to 'Tension'

BK1802092295 Bangkok THE NATION in English 18 Feb 95 p A1, A4

[FBIS Transcribed Text] Deputy Prime Minister Suphachai Phanitchaphak has "indefinitely" postponed his visit to Burma, originally planned for later this month, in an unexpected move which coincides with the current border tension.

Suphachai said the trip, scheduled for Feb 27 to March 2, was deferred after Prime Minister Chuan Likphai suggested that his deputy should await the official appointment of the new Thai foreign minister.

But informed government officials said the postponement could have been motivated by border problems arising from the ongoing Burmese military offensives against armed ethnic Karen guerrillas.

National Security Chief Gen Charan Kunlawanit said the postponement could be in response to the fighting, a spillover of which has caused Thai-Burmese tension at the border.

"I don't know (if the postponement was due to the fighting) but it could be. He (Suphachai) wants to avoid the confusion, because it is a matter of courtesy when a country is at war that there will be no trade negotiations," said Charan.

Suphachai said Chuan suggested that he should await the official appointment of Krasae Chanawong as new foreign minister so that Krasae could follow up the work of his predecessor Thaksin Chinnawat.

A Royal command formally appointing Krasae as foreign minister was announced yesterday.

The deputy premier said Krasae might visit Burma before beginning this task, to continue negotiations started by Thaksin.

"My trip is about economic matters and it can wait. I have already informed the Burmese ambassador to Thailand about my decision and he understands that we are having a change in the Cabinet," said Suphachai.

Government officials said yesterday that they did not know if senior Burmese junta leader Lt Gen Tin U would proceed with his trip to Thailand on behalf of Burmese Army Commander in Chief Gen Maung Aye.

The Burmese general has already postponed his visit at the invitation of Thai Army Commander in Chief Gen Wimon Wongwanit from mid-February to the end of the month.

On Thursday, Thai Supreme Commander Gen Watthanachai Wutthisiri ordered local border forces to brace themselves for intrusions of Thai territory by Burmese forces.

He told the meeting of armed forces commanders that local authorities should proceed from "soft to harsh measures in response to territorial violations by Burmese troops".

In Tak's Mae Sot district, Thai border officers said forces at Wang Kaeo village are still on alert in case the

Burmese military resumes its offensive against the Karen stronghold of Kawmura, which is opposite this isolated northern village.

The officers said they believe Burmese attacks would resume this weekend.

They cited intelligence information, saying they have learned that the Burmese army has now fully reinforced its military strength—forces, artillery and ammunition—and is only awaiting orders from Rangoon to resume its operation against Kawmura.

The Burmese army suffered severe casualties and losses in heavy weaponry from the attacks on Kawmura early this month.

According to the officers, Burmese television on Tuesday broadcast a visit to Thingannyinaung, about nine kilometres from the Thai-Burmese border, by Army Commander in Chief Gen Maung Aye and powerful Slorc [State Law and Order Restoration Council] leader Lt Gen Khin Nyunt, who were briefed of the Burmese operation against Kawmura.

The two flew in by helicopter and left for Rangoon the same day.

Tak Governor Kasem Nakrat said Burmese shelling around Kawmura has become sporadic since the heavy attacks on Feb 7.

He said Task Force 34 at Mae Sot has given its assurance that every possible means will be used to prevent military spillovers from the fighting.

Kasem expressed hope that no Thai villagers would be affected or hurt by the fighting, but added that as a matter of precaution Thai authorities have already evacuated villagers.

Reportage on Possible Extradition of Thanong

Court Weighs U.S. Request

BK1902113095 Bangkok SIAM POST in Thai 19 Feb 95 pp 1, 16

[FBIS Translated Text] The president of the Supreme Court, Praman Chansu, granted an interview to news reporters in Chiang Rai Province on 18 February concerning the U.S. request for an extradition of Thanong Siriprichaphong, former Chat Thai Party MP from Nong Khai Province, to be tried in the United States on drug charges. Praman said there had never been a case where a Thai national had been sent to a foreign country for trial under the extradition treaty. He said what the court could do now in response to a request from the public prosecutor was to say whether or not Thanong was a Thai national.

Thanong lost his status as member of parliament after he resigned over charges of drug trafficking made by the United States and following U.S. pressure to have Thailand extradite the former politician to stand trial in the United States.

The Thai Government assigned the Foreign and Interior Ministries to jointly conduct a study of the case. As a result, the Office of the Supreme Attorney General requested that the court hand down a verdict on whether or not to extradite Thanong to the United States.

The court then issued an arrest warrant for Thanong so that the suspect could be taken into custody during legal proceedings. The former MP later surrendered to police. He sought bail, but his request was rejected by the court.

Concerning this issue, several legal experts adopted a similar stance and believe it is impossible for Thailand to send a Thai national to stand trial in a foreign country. Thailand, however, can ask the country in question to supply it with evidence to be used in a trial against the suspect inside Thailand.

Prosecutor Supports Extradition

BK2002083695 Bangkok NAEO NA in Thai 20 Feb 95 p 7

[FBIS Translated Excerpt] [Passage omitted] Commenting on a recent statement by Supreme Court President Praman Chansu that former MP Thanong Siriprichakun can only be extradited to the United States after the amendment of the law, Chaikasem Nitisiri, deputy special general public prosecutor in the International Cooperation Division in charge of Thanong's case, said that opinions in this regard vary from person to person but that Thai law has no specific clause prohibiting the extradition of Thai nationals. Nevertheless, the court will decide Thanong's fate.

Chaikasem reaffirmed that Thanong should be sent to the United States for trial because he committed his offense in that country. Besides, Thailand and the United States have signed an extradition treaty. He said that if a Thai criminal flees to the United States, the latter always sends him back upon our request. It would be unfair if we did not reciprocate. This is a matter of international society.

Chaikasem said it would be strange for us to attempt to defend wrongdoers while at the same time honoring the extradition treaty.

Chaikasem said: "I do not understand why the big shots in court circles came out to declare that Thanong cannot be sent to the United States. This is very strange. His statement has scared people and prevented them from doing anything. I do not know if he has read the law thoroughly." As a matter of fact, the administrative branch and Interior Ministry have jurisdiction over the extradition of criminals. It is within the jurisdiction of the courts, however, to decide whether to grant bail. [passage omitted]

Official Denies Influencing Court

BK2102063095 Bangkok THE NATION in English 21 Feb 95 p A2

[FBIS Transcribed Text] A close aide to Supreme Court President Praman Chansu yesterday denied that Praman's comments about the extradition to the United States of former Chat Thai MP Thanong Siriprichaphong on drugs charges were an attempt to influence the Criminal Court.

Praman told reporters on Saturday that Thai nationals cannot be sent to stand trial overseas.

Praman's secretary, Chanthawat Worathat, said the Supreme Court president's comments were based on the Extradition Act B.E. 2472 (1929), and had nothing to do with Thanong's case.

"He is not attempting to influence the court. Any decision on Thanong's case lies with the Criminal Court," he said.

Chantawat said Thanong, a former Nakhon Phanom MP, has the right to appeal if the court rules that he should be extradited.

He said in the event of that happening, a final decision would be made by the Appeals Court, leaving the matter out of the hands of the Supreme Court.

Chanthawat said Article 13 of the extradition law states that if a defendant is a Thai national, then that defendant should not be extradited.

He also cited the 1990 Thai-US Extradition Treaty which stipulates that any extradition must have the approval of both countries before a suspect can be extradited to face charges.

However, Chanthawat said although the law states that the court "should not" extradite a Thai national, it still has the authority to order such an extradition.

Thanong surrendered to police on Feb 10, and was remanded in police custody pending a hearing on a request by the US government for his extradition.

In November 1991, a district court in California indicted Thanong on charges of smuggling some 45 tonnes of marijuana into the country between 1973 and 1987. The haul allegedly had a street value of more than US$10 million.

Thanong has denied any involvement in drug trafficking and claimed there are political motivations behind the attempt by the US to level charges against him.

Thanong was denied bail when he gave himself up to the authorities.

Meanwhile, Attorney General Khanit na Nakhon yesterday appeared to back Chantawat's interpretation of the extradition law.

"The government has asked public prosecutors to seek Thanong's extradition.

"This could mean that the government has agreed to extradite Thanong to the US," he said. Khanit added however, that any final decision rests with the court.

Thanong's attorney Prachum Thongmi reiterated that Parliament President Marut Bunnak and Praman had both told the press over the weekend that Thai nationals cannot be sent to stand trial overseas.

He said on that basis he will re-submit a bail request before the Criminal Court makes a decision on the fate of Thanong.

"We shall re-submit the bail request because of what we've heard in the press over the weekend," he told reporters.

But the attorney echoed the comments of both Khanit and Praman and said any final decision will rest with the Criminal Court.

Prachum also said that Praman's comments would not influence the Criminal Court's decision.

Thanong To Reapply for Bail

BK2102084295 Bangkok BANGKOK POST in English 21 Feb 95 p 9

[FBIS Transcribed Text] Former Chat Thai MP Thanong Siriprichaphong will reapply to the Criminal Court for bail based on the reported comments of Supreme Court President Praman Chansu that Thai law does not allow him to be extradited.

Mr Thanong reported to police earlier this month after the Criminal Court issued a warrant for his arrest following a request from the United States for his extradition to face charges of drug smuggling.

The Office of the Supreme Attorney-General earlier submitted a lawsuit to the court concerning the extradition based on evidence supplied from the US.

The US has asked Thailand to extradite Mr Thanong to face charges involving the smuggling of a combined 49 tons of marijuana into that country between 1977 and 1987.

Mr Thanong is now being held at the Bangkok Special Prison.

Mr Praman's secretary, Supreme Court assistant judge Chanthawat Worathat, downplayed Mr Praman's comments yesterday for fear they may be used as guidelines by the court in making its decision.

He said Mr Praman was expressing a technical opinion on the Extradition Act of 1929 and had no wish to influence the court decision.

Mr Chanthawat quoted Subarticle 4 of the Extradition Act's Article 13 as saying a defendant can fight an extradition request if he is a Thai citizen.

Article 16 states the court can consult the Justice Ministry before ordering the release of suspects if they show they are Thai citizens.

But Article 3 says the application of the law must not contradict any extradition treaty Thailand has with another country.

Under the Thai-US Extradition Treaty, para 8, neither country is obliged to extradite its citizens.

It is up to the courts to decide.

Although the wording of the law does not favour extradition, it is not definite on this point, said Mr Chanthawat,

"Technically, the matter is still subject to debate. Some people say Thai law does not favour extradition. Others say it is up to the court to decide.

"Still others say the court cannot take the fact the defendant is a Thai national into consideration because the Government has shown it intends to allow his extradition," he said.

"I think in this case the defendant can petition the Appeals Court and its decision will be final.

"The matter will not go to the Supreme Court so the Supreme Court president's remarks were purely technical."

Supreme Attorney-General Khanit na Nakhon said the Extradition Act did not favour the extradition of a Thai national to stand trial abroad unless this could be done under a treaty.

Since Thailand has an extradition treaty with the US, it is up to the Government to decide, he said.

Mr Khanit said his office had sought the Government's opinion on this matter and been told the extradition request should go to the courts for a decision.

Vietnam

Spokesman Reaffirms Spratlys Claim, Urges Peace

BK2002061795 Hong Kong AFP in English 0602 GMT 20 Feb 95

[FBIS Transcribed Text] Hanoi, Feb 20 (AFP)—Vietnam reiterated its sovereignty over the disputed Spratly islands in the South China Sea on Monday, but stressed that all sides involved should resolve the issue peacefully.

"Vietnam is of the view that all the conflicts about sovereignty relating to this archipelago should be solved by peaceful negotiations," a foreign ministry spokesman said.

"While making efforts to promote negotiations to find a basic and permanent solution, it is necessary to maintain stability by securing the existing situation," he said.

"All the sides should keep self-control not to complicate the situation, and not to appeal to arms or to threaten to do so," he added.

The comments from Hanoi followed confirmation by Manila on Friday for the first time that Vietnam had built fortifications during the 1980s on four of the chain's islands claimed by the Philippines.

Nevertheless, the two sides have agreed to "maintain the status quo," sources said.

A row erupted in recent weeks over accusations from Manila that China had occupied a Philippine-claimed reef in the islands, a move which Vietnam has condemned as "an act of encroachment" by Beijing.

"Vietnam has explained many times that it has all the historical, judicial and practical bases to affirm its sovereignty on the Spratly and Paracel archipelagoes," the spokesman said.

China has occupied the Paracels, located north of the Spratlys, since 1974.

The Spratly islands—supposedly rich in oil and mineral deposits—comprise some 700 islands, islets and reefs, and are claimed in whole or in part by Vietnam, China, Taiwan, the Philippines, Malaysia and Brunei.

Vietnam has garrisons on around twenty of the islands—some 400 kilometres (248 miles) from its southern coast—where its has built lighthouses and harbour facilities.

Libyan Foreign Minister on Official Visit

Arrives 17 Feb

BK1702163395 Hanoi VNA in English 1425 GMT 17 Feb 95

[FBIS Transcribed Text] Hanoi VNA Feb. 17—The secretary of the General People's Committee for Foreign Affairs (Foreign Minister) [title as received] of the Socialist People's Libyan Arab Jamahiriya, Mr. 'Umar Mustafa al-Muntasir, arrived here this afternoon for three-day official visit to Vietnam.

The Libyan foreign minister and his party were greeted by among others Foreign Minister Nguyen Manh Cam, Libyan Ambassador Saleh M. al-Mosni and members of the diplomatic corps.

In the evening, they were given a banquet in their honour by the Vietnamese chief diplomat.

The Libyan foreign minister is expected to hold talks with his Vietnamese counterpart and to be received by President Le Duc Anh and Prime Minister Vo Van Kiet.

Meets With Leaders

BK1802160995 Hanoi VNA in English 1423 GMT 18 Feb 95

[FBIS Transcribed Text] Hanoi VNA Feb. 18—State President Le Duc Anh and Prime Minister [P.M.] Vo Van Kiet received here today on separate occasions Libyan Foreign Minister [F.M.] [title as received] Mr 'Umar Mustafa al-Muntasir now on a working visit to Vietnam.

President Anh welcomed the Libyan F.M's visit as a manifestation of the further development of the friendship and cooperation between Vietnam and Libya. The renewed the Vietnamese people's support to the Libyans' struggle for national independence and sovereinty and their national construction.

For his part, P.M Kiet expressed his pleasure at the fine achievements of the Vietnam-Libya friendship and cooperation. He spoke of the foreign policy of Vietnam which always attaches importance to the time-honoured relations with other countries.

Speaking to the Vietnamese leaders, the Libyan F.M. highly appreciated the Vietamese Government and people's stance to support the Libyan people in their national construction and defence. He expressed his [words indistinct] the constant consolidation and development of the traditional friendship and cooperation between the two countries.

Meets Counterpart

BK1802160495 Hanoi VNA in English 1435 GMT 18 Feb 95

[FBIS Transcribed Text] Hanoi VNA Feb. 18—Foreign Minister Nguyen Manh Cam held talks here this morning with his Libyan counterpart Mr 'Umar Mustafa al-Muntasir now on an official visit to Vietnam.

During the talks, Foreign Minister Cam reaffirmed Vietnam's solidarity with other countries in the world, in their struggles for peace, national independence, democracy and social progress. He expressed sympathy with the Libyan people for having undergone economic difficulties caused by the present embargo. The Vietnamese chief diplomat spoke highly of Libya's efforts and goodwill in the settlement of the Lockerbie crisis which, he wished, would soon be settled by peaceful negotiations in conformity with the United Nation's charter, international laws and on the basis of respect for Libya's independence and sovereignty.

Foreign Minister [title as received] al-Muntasir informed his Vietnamese counterpart of his country's current situation, especially the difficulties caused by the blockage against Libya's economy. He also introduced Libya's foreign policy to enhance solidarity with other nations in the struggle for national independence and sovereignty.

The two foreign ministers discussed international and regional issues of common concern as well as measures to consolidate and promote the friendship and cooperation between Vietnam and Libya.

The talks took place in an atmosphere of friendship, sincerity and mutual understanding.

Received by President

LD1802214295 Tripoli Libyan Television Network in Arabic 2000 GMT 18 Feb 95

[FBIS Translated Text] President Le Duc Anh of the Republic of Vietnam has received in Hanoi the brother Libyan secretary of the General People's Committee for Foreign Liaison and International Cooperation ['Umar Mustafa al-Muntasir], who is on a visit to Vietnam.

The Vietnamese president asked the secretary of the General People's Committee for Foreign Liaison and International Cooperation to convey his greetings to the brother leader of the revolution [al-Qadhdhafi] and the Libyan Arab people, pointing out the great appreciation of the Vietnamese people and leadership of the brother leader of the revolution and the Libyan Arab people. He praised the support and backing of the Libyan Arab people for the Vietnamese people during their bitter struggle against the U.S. invasion of their country.

President Le Duc stressed the depth of the friendship that link the two friendly peoples—the Libyan Arab and Vietnamese—in all spheres.

The brother secretary conveyed the greetings of the brother leader of the revolution to the Vietnamese leadership and people, stressing the Great Jamahiriyah's firm support for the Vietnamese people's struggle for building a free and happy socialist society. He said the sacrifices made by the Vietnamese people during their bitter struggle against the U.S. invasion of Vietnam will for ever remain a symbol of the struggle of the freedom-loving peoples.

Concludes Visit

BK2002153295 Hanoi VNA in English 1439 GMT 20 Feb 95

[FBIS Transcribed Text] Hanoi VNA Feb. 20—Libyan Foreign Minister [title as received] 'Umar Mustafa al-Muntasir and his party left Hanoi this afternoon, ending a four-day visit to Vietnam.

Before leaving here, the Libyan delegation was received by Vietnamese Foreign Minister Nguyen Manh Cam, who described the visit as a new milestone in the development of the relationship between the two countries. He said he hoped that the visit would help promote the bilateral cooperation, especially in the economic and commercial fields.

Mr 'Umar Mustafa al-Muntasir, for his part, affirmed that this successful visit would contributed to consolidating the two countries' friendship and solidarity in the common struggle for peace and progress.

While here, the Libyan delegation paid a floral tribute to President Ho Chi Minh at his mausoleum. Earlier it had working sessions with the Ministry of Construction and visited some places of cultural interest in the capital.

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